

***United States Court of Appeals  
for the Second Circuit***



**APPENDIX**





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74-2139

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IN THE  
**United States Court of Appeals**  
**For the Second Circuit**

Appeal No. 74-2139

HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

*Plaintiff-Appellant,*

v.

DURALITE COMPANY, INC., and  
G & A MACHINE WORKS, INC.,

*Defendants-Appellees.*

ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

**JOINT APPENDIX**

HARVEY E. BUMGARDNER, JR.  
*Attorney for Plaintiff-Appellant*  
1230 Avenue of the Americas  
New York, New York 10020

RUBENS & BERGER  
*Attorneys for Defendants-Appellees*  
30 Lexington Avenue  
New York, New York 10017



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## DOCKET ENTRIES

67 CIV 2079

Date	Proceedings
5-26-67	Filed Complaint and issued summons.
6-20-67	Filed Stipulation and order extending time of defendant to answer to 7-15-67. - Sugarman, Ch. J.
6-26-67	Filed Summons and return - served defendant by I. Zacklin on 6-1-67.
7-14-67	Filed Stipulation and order extending defendant's time to answer complaint to 7-31-67. - Clerk.
8-1-67	Filed defendant's Answer and counterclaim.
8-4-67	Filed plaintiff's Reply to counterclaim.
9-18-67	Filed Notice of taking deposition.
9-18-67	Filed Amended Notice of taking depositions.
11-13-67	Filed Notice of motion re: consolidate. Ret. 11-21-67, and affidavit in support thereof.
11-20-67	Filed Stipulation and order consenting to the consolidation of this action and 67 Civ. 2081 for all purposes. Mansfield, J.
11-21-67	Filed Memo endorsed on motion papers filed 11-13-67. Motion disposed of in accordance with the stipulation signed 11-20-67. Mansfield, J.
11-22-67	Filed Consent and order of substitution of attorneys. - Clerk (substitution of attorneys for defendant in 67 Civ. 2081).
12-3-69	On Call for review - G. R. 23 before Sugarman, Ch. J. 120 day order.
12-4-69	Filed Order that plaintiff shall file note of issue within 120 days or action to be dismissed. - Sugarman, Ch. J. m/n.
4-2-70	Filed plaintiff's Note of issue and statement of readiness.



- 4-27-70 Filed Order pursuant to Calendar Rules 6 and 13 - Sugarman, Ch. J.
- 5-4-70 Filed Plaintiff's designation of trial counsel.
- 5-27-70 Filed Stipulation and joint motion that this Court is moved for an order extending all proceedings herein for a period of 60 days so that the time for the parties to file designation of trial counsel shall be extended to 7-4-70; and the time for the parties to file their pre-trial memorandum shall be extended to 7-22-70; and all other times relating to assignment and pre-trial conference be extended accordingly - So ordered - Cannella, J.
- 7-10-70 Filed Notice of change of attorney.
- 7-24-70 Filed Defendant's affidavit and notice of motion to reopen discovery proceedings under Rule 9(1) return 7-30-70.
- 7-30-70 Filed Memo endorsed on motion filed 7-24-70 - six month order consented to - Settle order on notice - Cooper, J.
- 10-28-70 Filed Defendant's notice to take deposition of plaintiff on 10-30-70.
- 12-21-70 Filed Plaintiff's reply to counterclaim.
- 12-21-70 Filed Plaintiff's notice to take deposition of defendant on 1-14-71.
- 12-23-70 Filed Stipulation and order that defendant G & A Machine Works, Inc. answer is amended by the addition of the following paragraph as indicated and that said defendant be allowed to interpose counterclaims as indicated - So ordered - MacMahon, J.
- 3-15-72 Filed Consent pre-trial order. Lasker, J.
- 6-20-73 Filed Transcript of deposition of defendant G & A Machine Works, Inc. by Mickey Adler taken September 11, 1967 and November 8, 1967.
- 6-20-73 Filed Transcript of deposition of defendant G & A Machine Works, Inc. by Mickey Adler on February 4, 1971.
- 6-21-73 Filed Stipulation and order that Arthur, Dry & Kalish is substituted as attorneys for Hy Kramer, Plaintiff. So ordered - Duffy, J.

- 6-21-73 Before Duffy, J. - Trial begun without a jury as to issue of liability only. Issue as to damages severed from trial.
- 6-22-73 Trial continued. Adjourned to 6-27-73.
- 6-27-73 Trial continued.
- 6-28-73 Trial continued.
- 6-29-73 Trial continued and concluded. - Total trial days five. Judges' Decision is reserved.
- 7-19-73 Filed Stipulation and order that Peter L. Berger is hereby substituted as attorney in the place and stead of Alan K. Roberts. So Ordered - Duffy, J.
- 9-26-73 Filed Transcript of record of proceedings, dated 6-21, 6-22-28-1973.
- 11-29-73 Filed Plaintiff's post-trial brief.
- 12-4-73 Filed Brief for defendants after trial.
- 12-6-73 Filed Plaintiff's reply brief.
- 12-20-73 Filed Opinion # 40140 and order -these are consolidated actions for infringement of U.S. Patent 3,310,268 issued on 3-21-67, to plaintiff Hyman Kramer. This opinion and order is to be considered as findings of fact and conclusions of law within the meaning of Rule 52(a) of the FRCP. In sum, I hold that the device did not rise to the level of an invention; that the patent was invalid and unenforceable and that the plaintiff was not the creator of the design or device and lied when he said he was. The sole question left is whether the defendant, G & A is entitled to damages and attorney's fees. As to attorney's fees, I find that the fees are warranted and direct the defendant's attorney to appear for a hearing before a magistrate of this court so that the amount of such fees may be properly determined. So ordered - Duffy, J. (m/n)
- 1-29-74 Filed Transcript of record of proceedings, dated 6-21, 6-22-28- 1973.
- 3-25-74 Filed Plaintiff's notice of motion for an order to amend and supplement findings of fact and conclusions of law. Return 4-9-74.

- 3-25-74 Filed Memorandum in support of plaintiff's motion to amend and supplement findings of fact and conclusions of law.
- 3-26-74 Filed Memorandum endorsed on motion filed 3-25-74. Motion denied in all respects. So ordered - Duffy, J. (m/n)
- 6-5-74 Filed Plaintiff's memorandum with respect to the amount of attorney fees awarded to defendant.
- 6-17-74 Filed Plaintiff's memorandum with respect to the report and recommendation of Magistrate Goettel.
- 7-22-74 Filed Transcript of record of proceedings, dated 4-29-74.
- 7-19-74 Filed Memorandum - I hereby confirm the Hon. Magistrate Gerard L. Goettel's report and recommendation in all respects. Settle judgment on notice. Duffy, J. (m/n)
- 8-1-74 Filed Judgment # 74,644 - ordered this Court has jurisdiction of the parties and the subject matter - Patent No. 3,310,268 is invalid, void and unenforceable - this case is an exceptional case and falls within the meaning of 35 U.S.C., Section 28 - and defendant, G & A Machine Works, Inc. is awarded attorneys fees in the amount of \$16,970.00 together with its costs in this action. Duffy, J. Judgment entered 8-1-74.- Clerk. (m/n)
- 8-16-74 Filed Plaintiff's notice of appeal from judgment entered 8-1-74. Mailed copy to Rubens and Berger. Entered 8-19-74.
- 8-16-74 Filed Bond for undertaking for costs on appeal in the sum of \$250.00 - Reliance Insurance Company.
- 7-19-74 Filed Memorandum in support of Defendant's motion to amend Magistrate Goettel's Report and Recommendation.
- 7-19-74 Filed Magistrate's Report and Recommendation.
- 9-18-74 Filed bill of costs as taxed in the sum of \$637.90, in favor of both defendants and added to the judgment # 74,644.

## 67 CIV 2081

Date	Proceedings
5-26-67	Filed Complaint and issued summons.
6-19-67	Filed Summons and return, served defendant by M. Adler 6-1-67.
8-1-67	Filed Defendant's answer.
8-2-67	Filed Stipulation and order extending time of defendant to answer to 7-31-67. - Mansfield, J.
8-24-67	Filed Plaintiff's notice to take deposition.
9-18-67	Filed Amended notice of taking deposition (on September 22, 1967).
9-18-67	Filed notice of taking deposition (on September 18, 1967).
9-27-67	Filed Plaintiff's notice to take deposition - sup. issued.
11-24-67	Entry substituting attorney for defendant in this action made in 67 Civ. 2079 this date.
7-10-70	Filed Order that Alan Roberts be substituted as attorney for record for defendant G & A Machine Works, Inc. instead of Burton Lilling - Ryan, J. m/n
7-10-70	Filed Notice of change of attorney.
7-24-70	Filed Defendant's affidavit and notice of motion to reopen discovery proceedings under rule 9(1) - return 7-30-70.
7-30-70	Filed Memorandum endorsed on motion filed 7-24 - Sixth month order consented to - settle order on notice - Cooper, J.
3-14-72	Filed Defendant's pretrial memorandum.
3-14-72	Filed Plaintiff's pretrial memorandum.
6-21-73	Filed Stipulation and order that Arthur, Dry & Kalish is substituted as attorneys for plaintiff. So ordered - Duffy, J.

- 12-20-73 Filed Opinion # 40140 and Order - these are consolidated actions for infringement of U.S. Patent 3,310,268 issued on 3-21-67, to plaintiff Hyman Kramer. This opinion and order is to be considered as findings of fact and conclusions of law within the meaning of Rule 52(a) of the FRCP. In sum, I hold that the device did not rise to the level of an invention; that the patent was invalid and unenforceable; and that the plaintiff was not the creator of the design or device and lied when he said he was. The sole question left is whether the defendant G & A is entitled to damages and attorneys fees. As to attorneys fees, I find that the fees are warranted and direct the defendant's attorney to appear for a hearing before a magistrate of this court so that the amount of such fees may be properly determined. So ordered - Duffy, J. (m/n)
- 4-29-74 Pre-trial conference held by Goettel, U.S. Magistrate.
- 6-17-74 Filed Plaintiff's memorandum in respect to report and recommendation of Magistrate Goettel.
- 7-19-74 Filed Defendant's G & A Machine Works affidavit of Peter L. Berger.
- 8-1-74 Filed Judgment # 74,644 (filed in 67 Civ. 2079).
- 9-13-74 Filed Deposition of Plaintiff, dated October 30, 1970, filed in court 6-21-73.
- 9-18-74 Copy of bill of costs in the amount of \$637.90, in favor of both defendants and added to the judgment # 74,644 - (filed in 67 Civ. 2079).

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

7a

- - - - -x  
:  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES, :  
:  
Plaintiff, :  
:  
-against- :  
:  
DURALITE COMPANY, INC., :  
:  
Defendant. :  
- - - - -x

C O M P L A I N T

1. This is a patent infringement action which arises under the patent laws of the United States, Title 35 of the United States Code. Venue is based on Title 28 of the United States Code, Sections 1338(a) and 1400(b). The acts of infringement herein complained of have taken place and are taking place within the Southern District of New York and elsewhere throughout the United States. Defendant has a regular and established place of business within the Southern District of New York.

2. Plaintiff, Hyman Kramer, is a citizen of the United States and of the State of New York, residing at 2764 East 16th Street, in the Borough of Brooklyn, County of Kings, City and State of New York. Plaintiff is engaged in doing business at that address under the business name and style of Hy Kramer Enterprises.

3. On information and belief, defendant Duralite Company, Inc. is a New York corporation, having a regular and established office and place of business at 200 Fifth Avenue in the City, County and State of New York and Southern District of New York.

4. Plaintiff is the patentee and owner of Patent No. 3,310,268 issued to him on March 21, 1967 for an invention in hinge brackets used in folding cot construction.

5. On information and belief, defendant has infringed and is infringing said patent by manufacturing and selling hinge brackets which are disclosed and claimed in the patent.

6. Plaintiff has given statutory notice of his patent to the industry, including the present defendant.

WHEREFORE, plaintiff prays:

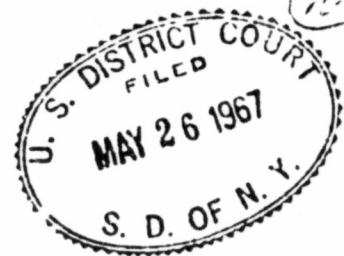
- (a) for a preliminary and permanent injunction restraining defendant from infringing the patent in suit;
- (b) for damages adequate to compensate plaintiff for such infringement;
- (c) for the costs of this action, together with reasonable attorney fees; and
- (d) for such other and further relief as to the Court may seem just and proper.

---

SAMUEL J. STOLL  
Attorney for Plaintiff  
Empire State Building  
New York, New York 10001



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK



-----x  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

Plaintiff,

-against-

G & A MACHINE WORKS, INC.,

Defendant.  
-----x

C O M P L A I N T

1. This is a patent infringement action which arises under the patent laws of the United States, Title 35 of the United States Code. Venue is based on Title 28 of the United States Code, Sections 1338(a) and 1400(b). The acts of infringement herein complained of have taken place and are taking place within the Southern District of New York and elsewhere throughout the United States. Defendant has a regular and established place of business within the Southern District of New York.

2. Plaintiff, Hyman Kramer, is a citizen of the United States and of the State of New York, residing at 2764 East 16th Street, in the Borough of Brooklyn, County of Kings, City and State of New York. Plaintiff is engaged in doing business at that address under the business name and style of Hy Kramer Enterprises.



3. On information and belief, defendant G & A 10a  
Machines Works, Inc. is a New York corporation, having its principal  
office and place of business at 523 Bryant Avenue, Bronx, New York,  
within the Southern District of New York.

4. Plaintiff is the patentee and owner of Patent  
No. 3,310,268 issued to him on March 21, 1967 for an invention  
in hinge brackets used in folding cot construction.

5. On information and belief, defendant has infringed  
and is infringing said patent by manufacturing and selling hinge  
brackets which are disclosed and claimed in the patent.

6. Plaintiff has given statutory notice of his  
patent to the industry, including the present defendant.

WHEREFORE, plaintiff prays:

- (a) for a preliminary and permanent injunction  
restraining defendant from infringing the  
patent in suit;
- (b) for damages adequate to compensate plaintiff  
for such infringement;
- (c) for the costs of this action, together with  
reasonable attorney fees; and
- (d) for such other and further relief as to the  
Court may seem just and proper.

---

SAMUEL J. STOLL  
Attorney for Plaintiff  
Empire State Building  
New York, New York 10001

RALITE-54

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

----- X

HYMAN KRAMER, doing business as :  
HY KRAMER ENTERPRISES, :

Plaintiff, :

v. :

DURALITE COMPANY, INC., :

Defendant. :

----- X

CIVIL ACTION  
67 No. 2079

*hinge case*

*Recd in 4-11-67  
Aug 1/67  
filed Aug 1, 1967*

ANSWER AND COUNTERCLAIM

Answer

Defendant, Duralite Company, Inc., answering the  
Complaint herein:

1. Admits that this is a patent infringement action which arises under the patent laws of the United States, Title 35, of the United States Code, and that defendant has a regular and established place of business within the Southern District of New York, but otherwise denies the allegations of paragraph 1 of the Complaint.
2. Lacks knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 2 of the Complaint and therefore denies the same.
3. Admits the allegations of paragraph 3 of the Complaint.

4. With respect to paragraph 4 of the Complaint, admits that the plaintiff is the patentee named in Patent No. 3,310,268 issued on March 21, 1967, denies that the patent sets forth any invention for hinge brackets, and lacks knowledge or information sufficient to form a belief as to the ownership of the patent and therefore denies the same.

5. Denies the allegations of paragraph 5 of the Complaint.

6. Lacks knowledge or information sufficient to form a belief as to the truth of allegations of paragraph 6 and therefore denies the same.

FURTHER ANSWERING DEFENDANT AVERS:

7. That Patent No. 3,310,268 is invalid and void for each of the following reasons:

(a) The alleged invention of the patent was known or used in this country before the alleged invention thereof by plaintiff.

(b) The alleged invention of the patent was patented or described in a printed publication before the alleged invention thereof by plaintiff and more than one year prior to the date of filing the application for the patent.

(c) The alleged invention of the patent was in public use or on sale in this country more than one year prior to the date of filing the application for the patent.

(d) The alleged invention of the patent was described in a patent granted on an application by another filed in the United States before the alleged invention thereof by plaintiff.

(e) Plaintiff was not the original and first inventor of the alleged invention described and claimed in the patent and, instead, before the plaintiff's said invention, it was made in this country by another who had not abandoned, suppressed or concealed it.

8. That Patent No. 3,310,268 is invalid and void for each of the following reasons:

(a) The differences between the subject matter defined by the claims of the patent and the prior art are such that the subject matter as a whole would be obvious at the time the invention was made to a person <sup>of</sup> ordinary skill in the art, to which the subject matter pertains.

(b) The claims of the patent are directed to an aggregation of old and well known fastener elements, each performing the same function it had already performed in the prior art, it being obvious to a person of ordinary skill in the art at the time the alleged invention was made to bring such elements together in any situation in which each of the functions were required without the exercise of invention.

9. That Patent No. 3,310,268 is invalid and void for each of the following reasons:

(a) The specification of the patent does not contain a written description of the alleged invention, and of the manner and process of making and using same, in such full, clear, concise and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, or to do anything more than was already known to those skilled in the art, and it does not set forth the best mode contemplated by the patentee for carrying out his alleged invention.

(b) The claims of the patent are indefinite, ambiguous and uncertain and do not particularly point out and distinctly claim that part of the subject matter which is to be regarded as the invention.

(c) The claims of the patent are invalid because they are broader than the purported invention and include inoperative subject matter in their scope.

10. That Patent No. 3,310,268 is invalid and void because the claims of the patent are based on new matter introduced into the application by amendment in violation of Section 132 of Title 35, United States Code.

11. By reason of the proceedings in the United States Patent Office during the prosecution of the application or applications which resulted in Patent No. 3,310,268, and the admission and representations therein made by or on behalf of the applicant in order to induce the grant of the patent, the plaintiff is

estopped to claim for such patent an interpretation, where the same is otherwise possible, such as to cause it to cover any product made, used or sold by the defendant or any acts of the defendant.

### Counterclaim

12. This counterclaim is for a judgment declaring that United States Letters Patent No. 3,310,268 is invalid and not infringed by defendant. This counterclaim arises under Sections 1338, 2201, 2202 of Title 28 and under the patent law, Title 35, United States Code, and it arises out of the same transactions and occurrences that are alleged for the subject matter of the Complaint herein and does not require for its adjudication the presence of third parties of whom the Court cannot acquire jurisdiction.

13. As appears from the Complaint and the foregoing Answer herein, an actual controversy exists between plaintiff and defendant with respect to the validity and infringement of Patent No. 3,310,268, which allegedly covers webbing-strip fasteners used in tubular metal frame furniture.

14. The patent in suit is invalid and unenforceable for each of the reasons set forth in paragraphs 7-11 and such paragraphs are incorporated in the Counterclaim by reference thereto.



15. Defendant has not infringed nor is it now infringing the patent in suit.

WHEREFORE, the defendant prays:

a. That each and every one of the plaintiff's prays be denied, and that the bill of Complaint be dismissed.

b. That an injunction be issued perpetually enjoining and restraining the plaintiff, his agents, servants, employees and attorneys, and those persons in active concert, in participation or in privy with him, who receive actual notice of the injunction by personal service or otherwise, from charging or asserting as to the defendant, its agents, vendees, suppliers or others in privy with it that they are directly or contributorily infringing Patent No. 3,310,268.

c. That Patent No. 3,310,268 be adjudged invalid, void and not infringed by the defendant.

d. That the costs of this action, including reasonable attorneys' fees, be assessed against the plaintiff.

e. That the defendant have such other and further relief as to this Court may seem just and proper.

MORGAN, FINNEGAN, DURHAM & PINE

By 

GEORGE P. HOARE, JR.  
Attorneys for Defendant  
80 Pine Street  
New York, New York 10005  
(212) 944-3080

Dated: New York, New York  
July 31, 1967

OF COUNSEL:

GRANVILLE M. PINE  
GEORGE P. HOARE, JR.  
HARRY C. MARCUS



UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF NEW YORK

-----x  
HYMAN KRAMER, doing business as HY  
KRAMER ENTERPRISES,

Plaintiff,

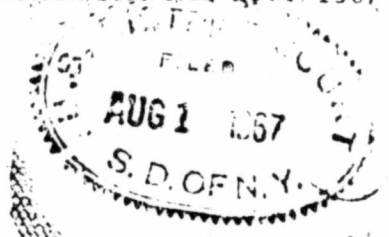
- against -

G & A MACHINE WORKS, INC.,

Defendant.  
-----x

ANSWER

Civil Action File No. 2081/1967



Defendant, G & A MACHINE WORKS, INC., by its attorneys,  
BROWN & HURWITZ, answers the complaint of the plaintiff as follows:

1. Denies knowledge or information sufficient to form a belief  
as to the allegations contained in paragraphs of the complaint numbered "1",  
"2" and "3".

2. Denies each and every material allegation contained in para-  
graphs of the complaint numbered "5" and "6".

AS AND FOR A FIRST AND DISTINCT DEFENSE:

3. That upon information and belief, the plaintiff, HYMAN  
KRAMER, was not the inventor of the invention referred to in the plaintiff's  
complaint for which a patent was issued.

AS AND FOR A SECOND AND DISTINCT DEFENSE:

4. That in the event plaintiff was the inventor of the invention  
for which a patent was issued to the plaintiff, as alleged in the plaintiff's  
complaint, said patent was not applied for within the applicable period of time  
as provided by statute.

AS AND FOR A THIRD AND DISTINCT DEFENSE:

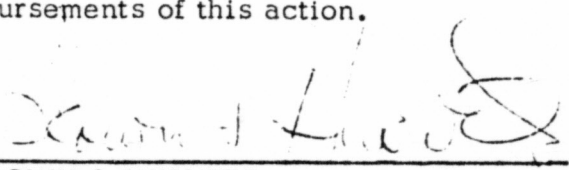
5. That the invention that plaintiff patented, as alleged in plaintiff's complaint, was not the invention of the plaintiff but was in fact an idea and product known to the general public and in use by the general public for

years prior to the time plaintiff applied for the patent herein.

AS AND FOR A FOURTH AND DISTINCT DEFENSE:

6. That the defendant is not manufacturing or using any product infringing upon the patent allegedly obtained by the plaintiff in plaintiff's complaint.

WHEREFORE, defendant prays that the complaint be dismissed together with the interest, costs and disbursements of this action.

  
BROWN & HURWITZ  
Attorneys for Defendant  
Office & P. O. Address  
391 East 149th Street  
Borough of Bronx  
New York City 10455

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

*Filed Aug 4, 1967*

----- -x

HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

Plaintiff,

-against-

DURALITE COMPANY, INC.,

Defendant.

----- -x

67 Civ. 2079

REPLY TO COUNTERCLAIM

1. Plaintiff admits the allegations of paragraphs 12 and 13 of the counterclaim.

2. Plaintiff denies the allegations of paragraphs 14 and 15 of the counterclaim.

Wherefore, plaintiff demands judgment dismissing the counterclaim and granting all of the relief sought in the complaint.

Dated: New York, New York  
August 1, 1967

*Stoll*  
\_\_\_\_\_  
Samuel J. Stoll  
Attorney for Plaintiff

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

----- X

HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

Plaintiff,

v.

DURALITE COMPANY, INC.,

Defendant.

CIVIL ACTION  
NO. 67-2079

----- X

STIPULATION CONSENTING TO MOTION  
FOR CONSOLIDATION UNDER RULE 42(a)

It is hereby stipulated by and between the undersigned attorneys for the respective parties, subject to the approval of the Court, that the Motion to Consolidate the instant action with Hyman Kramer, doing business as Hy Kramer Enterprises v. G. & A. Machine Works, Inc. (67 Civil Action 2081), served and forwarded to the Court on November 10, 1967, is hereby consented to.

Dated: *November 20, 1967*

By *George P. Monte, Jr.*  
GEORGE P. MONTE, JR.  
Morgan, Finnegan, Durham & Pine  
80 Pine Street  
New York, New York

Dated: November 20, 1967

By Samuel J. Stoll

SAMUEL J. STOLL

Attorney for Plaintiff in both  
identified actions

350 Fifth Avenue

New York, New York

Dated: November 20, 1967

By H. Burton Lilling

HURTON LILLING

Attorney for G. & A. Machine  
Works, Inc.

11 West 42nd Street

New York, New York

So Ordered This <sup>28<sup>th</sup></sup> Day of November 1967.

W. H. D. Marshall  
United States District Judge

UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF NEW YORK

----- -x  
:  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES, :  
  
Plaintiff, :  
  
-against- : 67 Civ. 2081  
  
G & A MACHINE WORKS, INC. :  
  
Defendant. :  
----- -x

AMENDMENT TO ANSWER BY STIPULATION

It is hereby stipulated by and between the attorneys for the respective parties herein in accordance with the provisions of Rule 15A of the Federal Rules of Civil Procedure that Defendant G & A Machine Works, Inc. Answer be and the same is hereby amended by the addition of the following paragraph and that the Defendant G & A Machine Works, Inc. be allowed to interpose the following counterclaims.

AS FOR A FIRST AFFIRMATIVE DEFENSE

5. That the Plaintiff Hyman Kramer committed fraud on the Patent Office by reason of falsely making oath that he was the first inventor of the invention as set forth in each and every one of claims 1 through 3 as originally filed with the patent application Serial No. 458,148 which has matured into the patent



in suit, while having full and actual knowledge of prior articles of manufacture which were invented or designed by others and which fully or effectively anticipate said claims 1 through 3 and by Plaintiff Hyman Kramer's misrepresentation as to his state of knowledge at the time said patent application was filed.

COUNTERCLAIM

Defendant, for its counterclaim against plaintiff, avers:

6. This counterclaim is for a declaratory judgement, and arises under the Federal Judicial Code 28 U.S.C. § 2201 and §1338(a), and under the patent laws of the United States.

7. As appears from the Complaint and the foregoing amended Answer, an actual controversy exists between plaintiff and defendant with respect to the validity and infringement of Letters Patent No. 3,310,268.

8. Letters Patent No. 3,310,268 is invalid for each of the reasons set forth in the Answer including the foregoing Amendment to the Answer.

9. Letters Patent No. 3,310,268 has not been infringed and is not now being infringed by defendant, and defendant does not now threaten to infringe said Letters Patent.

10. Plaintiff Hyman Kramer committed fraud on the Patent Office in the solicitation of the above-identified patent application which matured into the patent in suit.

11. Defendant, as a result of the issuance of the patent in suit, has been damaged by reason of loss of sales and harassment of Defendant's customers.

WHEREFORE, defendant prays:

1. That Letters Patent No. 3,310,268 be adjudged to be invalid and void; and that defendant be adjudged not to infringe the same;

2. That a decree be issued granting defendant the right to continue manufacturing, selling and using hinge brackets alleged to infringe the patent in suit and granting defendant's customers the right to sell and use and to continue selling and using said hinge brackets.

3. That an injunction be issued perpetually enjoining and restraining the plaintiff, or anyone in privity with the plaintiff, from bringing or prosecuting any action at law or suit in equity charging infringement of said Letters Patent against the defendant, its subsidiaries, agents, vendees, suppliers, or others in privity with it;



4. That the Complaint be dismissed with costs to be assessed against plaintiff, and defendant be awarded damages, reasonable attorneys' fees and punitive damages; and

5. That the Court grant such other and further relief as shall be just.

Dated:

*/s/ Alan K. Roberts*

Alan K. Roberts  
Attorney for Defendant  
19 West 44th Street  
New York, New York 10036  
(212) 687-2210

Agreed and Consented to

*Samuel Stoll*

Samuel Stoll  
Attorney for Plaintiff  
350 Fifth Avenue  
New York, New York 10001

*So Ordered - 12/22/70*

*7 7 MacMahon*  
*USDJ R.T.*

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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-----X  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

Plaintiff,

-against-

G & A MACHINE WORKS, INC.,

Defendant.  
-----X

:  
:  
: Civil Action No.  
: 67 Civ. 2081  
:  
:

REPLY TO COUNTERCLAIM

1. Plaintiff admits the allegations of paragraphs 6 and 7 of the counterclaim.

2. Plaintiff denies the allegations of paragraphs 8, 9, 10 and 11 of the counterclaim.

WHEREFORE, plaintiff prays for judgment dismissing the counterclaim, holding the patent in suit valid and infringed, and granting plaintiff all of the relief sought in the complaint, including an injunction against further infringement, an accounting for damages, costs and counsel fees.

Dated: New York, New York  
December 15, 1970/

TO:

CLERK,  
UNITED STATES DISTRICT COURT

STOLL AND STOLL  
Attorneys for Plaintiff  
Empire State Building  
New York, New York

By: \_\_\_\_\_  
A Member of the Firm

ALAN K. ROBERTS, ESQ.  
Attorney for Defendant  
19 West 44th Street  
New York, New York 10036

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X

HYMAN KRAMER, doing business as	:	
HY KRAMER ENTERPRISE,	:	
	:	
Plaintiff,	:	
	:	
-against-	:	67 Civil 2081
	:	
G & A MACHINE WORKS, INC.,	:	
	:	
Defendant.	:	

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HYMAN KRAMER, doing business as	:	
HY KRAMER ENTERPRISE,	:	
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Plaintiff,	:	
	:	
-against-	:	67 Civil 2079
	:	
DURALITE COMPANY, INC.,	:	
	:	
Defendant.	:	

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STIPULATION AND ORDER

It is hereby stipulated and agreed by and between the undersigned that Arthur, Dry & Kalish, with offices at 1230 Avenue of the Americas, New York, New York 10020, be and hereby is substituted as attorneys for Hy Kramer, doing business as Hy Kramer Enterprise, plaintiff in each of these consolidated ac-

tions, in the name, place, and stead of Samuel J. Stoll, Esq.,  
Stoll & Stoll, with offices at 350 Fifth Avenue, New York, New  
York 10001, and that an order may be entered to that effect  
without further notice.

Date: New York, New York  
June 19, 1973

*Stoll*  
\_\_\_\_\_  
Samuel J. Stoll  
Stoll and Stoll  
Original Attorneys for Plaintiff  
350 Fifth Avenue  
New York, New York 10001  
Telephone: (212) 947-0740

ARTHUR, DRY & KALISH

By *Harvey E. Bumgardner, Jr.*  
\_\_\_\_\_  
Harvey E. Bumgardner, Jr.  
A Member of the Firm  
Substituted Attorneys for  
Plaintiff  
1230 Avenue of the Americas  
New York, New York 10020  
Telephone: (212) 489-4541

*Hy Kramer*  
\_\_\_\_\_  
Hy Kramer  
Doing Business as Hy Kramer  
Enterprise

IT IS SO ORDERED.

June , 1973.

\_\_\_\_\_  
Clerk, U.S. District Court



RUBENS & BERGER, ESQS.,  
Attorneys for Defendant,  
G & A Machine Works, Inc.  
BY: PETER BERGER, ESQ., of Counsel

Also Present on June 21:

MORGAN, FINNIGAN, DURHAM & PINE, ESQS.,  
Attorneys for Defendant Duralite Company, Inc.  
BY: GEORGE HOARE, ESQ., of Counsel

\* \* \*

(Trial begins.)

(In open court.)

MR. HOARE: Your Honor, my name is George Hoare.  
I have written a letter to the Court, dated June 19th.

THE COURT: You represent?

MR. HOARE: Duralite. We are simply a  
customer in this case of G & A.

THE COURT: I think I understand your position  
as stated in the letter. You bought everything from G & A  
and put it to use, but you didn't manufacture it.

MR. HOARE: That's right, your Honor. We  
are no longer buying that particular item from G & A or  
any other customer, supplier, and so with that introduction,  
your Honor, I'd like to absent myself, because I think the  
defense will be carried on by Mr. Berger for G & A .

THE COURT: It's my understanding that these  
two cases are consolidated for all purposes, so the decision

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in one basically is the decision in both?

MR. HOARE: Yes, your Honor.

THE COURT: Yes, you have my permission to  
absent yourself.

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THE COURT: Do you wish to make an opening statement?

MR. BUMGARDNER: I do, your Honor, if I may.

THE COURT: Fine.

MR. BUMGARDNER: As your Honor is aware, this is a patent infringement case which involves U.S. Patent Number 3310268, which I will be referring to simply as the patent in suit from now on, since there is only one patent in suit and there will be no confusion.

As counsel for plaintiff presently views the potential evidence to be presented in this case, insofar as we have had an opportunity to become acquainted with it in the last day or two, we believe that we will be asserting at most claims 2, 3 and 4 as being infringed. We will not be asserting claims 1 and 5 in this action; subject to



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MR. BUMGARDNER: I would also like to state to your Honor that notwithstanding the fact that this case has been pending for some six years, I first learned at about 4:30 last Friday afternoon that I might be expected to appear. I first obtained prior counsel's files sometime late Monday afternoon, so that we have not had an opportunity to develop the evidence, to confer with opposing counsel, to mark exhibits or make certain stipulations to the extent that patent counsel normally do if they have a little more time, and I would ask the Court's indulgence as the trial proceeds, if there are some slight continuances required from time to time or an opportunity to read documents that are being seen for the first time.

1  
2 THE COURT: Mr. Bumgardner, I recognize fully  
3 the most difficult position that you have been placed in.  
4 I am sure that you understand my problem and the fact that  
5 this case is six years-plus old, that counsel who formerly  
6 represented your client was notified almost a month ago  
7 that the case was being placed on the ready reserve calendar,  
8 and I recognize that it is most difficult for you, and  
9 I will be and I am sure Mr. Berger will be as solicitous  
10 as possible in your conduct of the trial, which I am sure  
11 would be outstanding anyway. Go ahead.

12 MR. BUMGARDNER: Thank you very much, your  
13 Honor. I will try to move along as expeditiously as I can,  
14 under the circumstances.

15 One of the things that's happened as a result  
16 of the short time to prepare is that we have had no time  
17 to find a so-called patent expert, prep him and put him on  
18 the stand and have him read for your Honor the elements of  
19 the claimed accused device.

20 However, I find no rule of law that says that  
21 you have to present a plaintiff's case in that fashion, so  
22 it would be my intent in this trial to dispense with any  
23 such expert. We will, through our witnesses, present the  
24 facts which are the basis for the charge of infringement and  
25 the legal arguments or the arguments that might constitute

1 part of an expert's testimony as to how the various elements  
2 of the claim read on those facts will be presented in a  
3 post-trial brief which I will prepare, which I assume I will  
4 have an opportunity to prepare at the close of trial.  
5

6 The claims, of course, speak for themselves,  
7 and hopefully this will be taken care of in the briefs.  
8 Accordingly, plaintiff's prima facie case will be streamline  
9 to introduce the Court to the background of the inventor,  
10 Mr. Kramer here, since that apparently is going to be put  
11 in issue by some of the defendant's case, and introduce the  
12 Court somewhat at least, to the technology involved, which  
13 is not too complicated, and then plaintiff will prove  
14 issuance of the patent in suit, title, right to sue upon  
15 the patent in suit, and the existence of the act s of the  
16 respective defendants which are accused on the infringing  
17 claims 2, 3 and 4 of the patent in suit.

18 Additionally, we will prove marking of the  
19 plaintiff's patented articles as plaintiff sold them with  
20 notice of patent. Plaintiff, of course, reserves the right  
21 to the extent that plaintiff deems it necessary and seems  
22 appropriate to the plaintiff and the Court to put on a  
23 rebuttal case at the close of the defendant's case, whenever  
24 that may turn out to be.  
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That concludes my opening statement, your Honor.



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MR. BUMGARDNER: I offer in evidence as  
Plaintiff's Exhibit 1 a true xerox copy of U.S. Patent #3310269  
(Plaintiff's Exhibit 1 received in evidence.)

\* \* \*

THE COURT: Mr. Berger, would you like to  
make an opening?

1                   MR. BERGER: Yes, your Honor. If it please  
2  
3 the Court, your Honor, in a sense this case is unusual in  
4 that the amount of damages that the plaintiff could be  
5 granted if it would be successful would be substantially  
6 nominal, and in a sense, that's unusual that the case  
7 proceeds to trial with this type of possibility of recovery  
8 on the plaintiff's side. It is an unusual case in many  
9 ways.

10                   Of primary importance, and I guess the primary  
11 reasons we are here today, is that it is the defendant's  
12 contention that this plaintiff falsely swore to the  
13 patent office that he was the inventor, if indeed there was  
14 an invention. Plaintiff, after falsely swearing it was the  
15 inventor, further committed acts of fraud in soliciting  
16 a patent from the patent office by misrepresenting, failing  
17 to represent certain facts of which he was aware.

18                   As a result of this pernicious conduct, and,  
19 of course, I would state that the patent office never does  
20 examine the question of inventorship except the declaration  
21 as signed, they never look into that question, the patent  
22 office after due proceedings issued the patent in suit,  
23 as a result of which, Mr. Kramer thereafter sued the  
24 defendant, the defendant's customers, and otherwise harassed  
25 defendant in a most obnoxious manner, causing him severe

personal grief as well as severe financial loss due to the loss of the defendant's business as to these brackets, subsequent loss as to the business entirely, and it is in a sense for these reasons that we are here today, your Honor.

The defendant has requested that if this Court, after reviewing the evidence, does find in fact that Mr. Kramer committed fraud on the patent office in requesting that a patent be granted and in soliciting the patent through the patent office, that the defendant be granted not only actual damages suffered as a result of loss of business, but treble damages, attorneys fees, and in a sense, your Honor, if in fact it is the Court's finding that Mr. Kramer did commit fraud, he will have violated a most sacrosanct constitutional system, which is to reward true inventors for their inventions; such an assault upon such a constitutional sanctified system is in my eyes, your Honor, most reprehensible.

The defendant will offer evidence to the more mundane question of whether or not this patent should have been granted, whether or not in fact the patent is valid. The defendant will also offer evidence as to the question of who actually did invent, if indeed there was an invention here, the hinged bracket design covered by the



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patent in suit.

I have no further statements to make, your  
Honor.

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Two more housekeeping details before I call my

1 first witness. I note that I still have with me the  
2 stipulation making me of counsel in place of Mr. Stoll  
3 in this case, and I see we have not had it signed by  
4 the clerk yet as I stand up. May I proceed?  
5

6 THE COURT: I will sign it right now.

7 MR. BUMGARDNER: I'd like to lodge that with  
8 the Court, if I may.

9 THE COURT: You mentioned that you had a  
10 second point?

11 MR. BUMGARDNER: The second point is this:  
12 While I certainly don't believe that the attitudes in  
13 counsel's opening statement are necessary, I won't move  
14 to strike them since there is no jury present. I think  
15 your Honor will appreciate that this is a serious and  
16 perhaps unfounded charge. I am aware of the presence in  
17 the courtroom of Mr. Gonsalves who I have reason to believe  
18 will testify falsely in behalf of the defendant herein  
19 as to certain facts concerning inventorship in this case.

20 I would like to ask your Honor to bar  
21 Mr. Gonsalves from this courtroom except when he was  
22 testifying, so that he may not observe and hear details  
23 that other witnesses testify to. I will also ask counsel  
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THE COURT: Why don't we have Mr. Gonsalves sequestered. Mr. Gonsalves, at this time I assume you can find something else to do. He will be called tomorrow?

MR. BERGER: Yes, your Honor, it is my intention to call him tomorrow.

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THE COURT: Mr. Kramer, when did you first conceive this bracket?

THE WITNESS: I don't recall, your Honor.

Q Are you aware of the circumstances as to when you conceived this invention?

A Yes.

Q Would you please give those circumstances?

A Yes, sir. I will try to the best of my recollection. On my various visits to my various customers, I learned that there was a need for a better bracket, and one night it came to me, like most of my inventions do, when it is quiet, I got out of bed, I recorded it on paper and I went back to sleep.

Q Do you have that paper?

A No, I do not.

Q Would you represent what was on that paper, to the best of your recollection?

A Yes, it represented the angles of the holes, it represented the embossments that I placed on my product, it represents the saddles, it represented where it came from

it represented the general configuration of the product.

THE COURT: Mr. Kramer, would you say it was a rough working drawing of the product?

THE WITNESS: Oh, extremely rough, your Honor. Just hand-sketched like an artist would do a rendering of some sort.

Q How did you manage to figure out the angle?

A I did not calculate the angle at that time. It was impossible. In fact, I had worked months and months and months with pieces of paper, cut-outs, like dolls, trying to develop that angle. That was not an easy point for me. Finally I got it.

Q Do you have any tangible evidence showing that develop work?

A No.

Q Any of those papers?

A No.

Q Have you searched to the best of your efforts to find those papers?

A That's right.

Q And you have been unable to find any of them?

A That's right. I don't even know why I had to keep it.

Q What were the constraints--

1  
2 A What does that mean, the word?

3 Q What were the bounds that caused you to select  
4 an angle of between 30 and 40 degrees?

5 A I explained that a minute ago.

6 Q I am not so sharp sometimes.

7 A I said that I cut out paper-- similar things  
8 and developed the angle. I did not do the angle when I  
9 woke up in the middle of the night.

10 Q Could these wings extend let's say at an angle  
11 greater than 30 degrees off this medial line?

12 A Sure. You can even go 90 degrees.

13 Q I am now pointing to Plaintiff's Exhibit 6.  
14 Excuse me?

15 A Yes, you could even go 180 degrees, you could  
16 do anything you feel like. I don't know what you intend to  
17 do with it, but you can do it.

18 Q Is the angle critical.

19 A I think it is critical in my formulation,  
20 otherwise I would not have done it and I would not have  
21 got a patent for it. The patent office thought it was  
22 critical too.

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Q Did you disclose this invention at any time during the development of the design of this leg bracket, disclose it to anyone else, during the development time?

A Not during the development. After I had formulated my theory and my idea and my discovery, I then



related it to my tool maker.

Q What did you bring to your tool maker at the time you related it--

A I brought him one of the pieces of papers that laid out the way I wanted it done. And I directed him to make it exactly the way I wanted, and I told him, "I don't want any of your two cents, I don't want any of your corrections, because this is a patented item and I cannot afford to have you interject your mind here, as in the past."

He had made many other products for me which I had corrected him in the same manner. I said, "Don't offer any information. I don't want it."

\* \* \*

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Q So then you went to Mr. Gonsalves with the design of the inverted leg bracket, is that correct?

A That's correct.

Q He followed your design?

A That's correct.

Q He did no development work on the design for an inverted leg bracket, is that your statement?

A That's my statement. He just followed my instructions. I told him what I wanted and what I am looking for and exactly what to do, and I don't want to have any changes.

Q He did no development work on that design?

A He did nothing but follow my instructions as an employee.

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MR. BERGER: I will call as my first witness,  
George Gonsalves.

G E O R G E G O N S A L V E S , called as  
a witness by the defense, having first been  
duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. BERGER:

Q Mr. Gonsalves, what is your business?

A I am a metal goods manufacturer.

Q For how long have you been involved in this  
field?

A About 30 years.

Q Are you also a tool and die designer?

A Yes, sir.

Q Are you also a product designer?

A Yes.

Q Do you design products for metal stampings?

A Yes, sir.

Q For how long have you been doing that?

A About fifteen years.

Q When did you first get involved doing product  
design and die design? Would you briefly describe your



1  
2 experience in that field?

3 A I started in a small die shop, and you didn't  
4 always get a complete drawing, and you were expected to  
5 sometimes alter a design minorly, and that's where I  
6 started.

7 Q Have you ever been employed in the capacity of  
8 a tool and die man or parts designer?

9 A Yes.

10 Q For whom were you employed?

11 A Webster Spring Manufacturing, I was a foreman  
12 in the tool room and I was responsible for some die design.

13 Q About when was that, approximately?

14 A About 18 years ago, approximately.

15 Q Thereafter, did you have any other employment?

16 A Yes. Then I was employed by the Pratco Steel  
17 Company where I was involved in product design and die  
18 design.

19 Q For how long have you known the plaintiff,  
20 Hyman Kramer?

21 A About 13 or 14 years.

22 Q In what capacity do you know Mr. Kramer?

23 A I knew Mr. Kramer first as a customer of a  
24 former employer.

25 Q Which employer was that?

1           A       Pratco Steel or Precision Attachments Company.  
2  
3       They had two names.

4           Q       What was the nature of your relationship with  
5       Mr. Kramer, business relationship with Mr. Kramer?

6           A       Well, that was a small shop, there was the  
7       owner of the company and I was the foreman of the shop.  
8       I had a knowledge of discussing price. I basically ran  
9       three-quarters of the business. I designed tools, I designed  
10      parts.

11          Q       Did you eventually form your own company?

12          A       Yes, I did.

13          Q       With whom? Was there a partner?

14          A       Yes, I had two partners.

15          Q       What was the name of the company that you  
16      formed?

17          A       Erie Packaging Corporation.

18          Q       When you first commenced Erie Packaging  
19      Corporation, was Mr. Kramer a customer of yours?

20          A       Yes, he was one of our first customers.

21          Q       Was it a long period of time after you  
22      commenced that you had customers other than Mr. Kramer?

23          A       I had a group of customers when I started.  
24      Mr. Kramer was one customer of a group.

25          Q       Was he an important customer?

1  
2           A       Yes, he was. To enlarge, he was at that  
3 point possibly more than 50 percent of our dollar value  
4 in business.

5           Q       For how long did you continue doing work for  
6 Mr. Kramer?

7           A       Approximately eight years.  
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Q Are you familiar with a part illustrated in Plaintiff's Exhibit 1 which is the patent in suit and is illustrated in figure 2, and are you familiar with the item illustrated in figure 1?

A Yes, I am familiar with this part.

MR. BUMGARDNER: Counsel, I heard two questions and one answer.

THE COURT: Are you familiar with the item shown in figure 1?

THE WITNESS: Am I familiar with the top drawing at the top of the page? Yes. It looks very similar to a drawing I made.

THE COURT: Are you familiar with the item shown as--

THE WITNESS: As a bent part?

THE COURT: That's figure 5. Are you familiar with that item?

THE WITNESS: Yes, I am.

Q Would you describe your connection with that item? We will call it the leg bracket. Let's be more

specific. I will show you Plaintiff's Exhibit 4 which is a leg bracket. Are you familiar with that leg bracket, that type of leg bracket?

A Yes, I am.

Q Would you describe how you are familiar with it and what connection you may have with that bracket?

A I believe I built the die for this bracket, as a fast look. I designed this bracket and I stamped the bracket for Hy Kramer Enterprises.

Q When you say you designed the bracket, what do you mean or how is it that you designed the bracket?

A We did a large amount of different parts for Hy Kramer Enterprises, and Mr. Kramer brought us a-- generally brought us a competitor's sample and a description of, you know, a--

Q Let's be specific on this, what did Mr. Kramer bring with regard to--

A He brought a competitor's bracket and the fact that he wanted to make it out of a lighter gauge material, that he wanted to add some ribs to it, and he wanted to redesign-- he wanted me to redesign the part to get the most from the material.

Q Did he present you with anything other than a competitor's product?

A No, he did not.

1 Q I will ask you to review, there are a number  
2 of brackets on the table, do any of those look like the  
3 one that you were shown by Mr. Kramer, and, if so, would  
4 you pull it out and identify it?

5 A I would say that I was probably brought  
6 possibly D and C.

7 Q You pointed to Defendant's Exhibits C and D.

8 A Right.

9 Q Did Mr. Kramer bring any drawings with him  
10 when he brought these samples?

11 A No, he did not.

12 Q Did Mr. Kramer give you any specific directions  
13 as to how to design the part with regard to angles, for  
14 instance, to be used?

15 A No, the only instructions that were given was  
16 that we are to try to get the scrap strip to be as short  
17 as possible, choke it up to produce the maximum out of the  
18 strip.

19 Q Did you do that?

20 A Yes, I did. I submitted to Mr. Kramer a sketch  
21 from a drafting board for his approval.

22 MR. BERGER: I'd like marked as Defendant's  
23 Exhibit K a drawing which is somewhat similar to figure 1  
24 of the patent in suit.  
25

MR. BUMGARDNER: I object to the  
characterization.

THE COURT: Let's have it identified. I will  
ascertain thereafter whether it is similar or not.

(Defendant's Exhibit K marked for  
identification.)

Q Are you familiar with the original from which  
this copy was made?

A Yes, this drawing has my initials on the  
corner and is dated. I believe I have the original to  
this.

Q The original?

A Yes.

Q Do you have it in Court?

A No, I don't. I have a copy, I have another  
copy.

Q Is it a clearer copy than that?

A Yes, it is.

THE COURT: Do you know where it is?

THE WITNESS: Yes. Shall I step out and get it?

THE COURT: If you would, please.

(Pause.)

(Defendant's Exhibit K' was marked for  
identification.)



1 Q Can you identify that Exhibit K' ?

2 A Yes, I identify it as my design for this part.  
3 This is a rough design. This was the original layout that  
4 shows how the part is nested together to produce the  
5 least amount of steel.  
6

7 THE COURT: The least amount of steel or the  
8 least amount of steel scrap?

9 THE WITNESS: It is to be able to produce the  
10 part using the least amount of steel.

11 MR. BERGER: I offer these two documents  
12 in evidence.

13 THE COURT: Show them to your opponent.

14 MR. BUMGARDNER: I don't think there has been  
15 any identification of Exhibit K by the witness. I think  
16 you can solve that very easily. Otherwise I have no  
17 objection.

18 Q Can you identify Exhibit K?

19 A Yes, this is my signature in this corner here  
20 and I identified this design as my design.

21 Q Is it a drawing?

22 THE COURT: That's sufficient. Do you have  
23 any objection, counselor?

24 MR. BUMGARDNER: No, your Honor. I would  
25 just like to observe that I understand, except for the



handwritten material, that they are both prints of the same tracing. Is that correct?

THE WITNESS: Yes, it is. I believe they are.

(Defendant's Exhibits K and K' received in evidence.)

Q MR. Gonsalves, would you please give or describe the type of steps or thoughts that occurred to you when you were given the prior brackets identified as C or D and how did you evolve from those brackets to the design you have here? What is the process one goes through, the process for designing the part that's shown in Exhibit K or K' ?

A Well, you try to utilize the thinking of your competitor's part, or you utilize the material given to you . You generally flatten out the blank, you flatten out the formed part to produce the flat blank. This tells you what your competitor started with before he bent it.

Q Would Exhibit C be--

A Yes, that's the gist of what I am saying. You flatten out the part to see what he did in the flat part. I assumed, of course, at that point that it was-- you make a small sketch and you can figure out just what to do. But it got to be a little trickier than that. Some jobs tend to fool you a little. On this particular job I believe that I had to go to realize where I had a leeway.

1 I was redesigning the part to be able to produce it with  
2 less material, so I was now changing the design on the  
3 part. There are some things that can be changed, there  
4 were other things that cannot be changed. On the design  
5 on this part here, you are locked up to the location of  
6 the holes. The holes are used for mounting and the holes  
7 are a mechanical function. The location of the holes  
8 produces a mechanical function in the operation of the  
9 part, so the location of the holes cannot be changed.  
10

11 At that point you now have to have enough  
12 support around the holes. So I came to realize that the only  
13 portion that could really be changed in that part was the  
14 back end of the part or-- this end was the only end that  
15 could really be changed.  
16

17 THE COURT: The witness now has picked up and  
18 pointed to the bottom part of Plaintiff's Exhibit 6. Go  
19 ahead.

20 A (Continuing.) That this basically is the end  
21 that can stand the greatest change.

22 Q Let's hold it in an upward direction, with  
23 the wings pointed up.

24 A Okay. The lower portion is really the  
25 part that can be changed indiscriminately. This area  
here can be changed, but that has to provide--

1  
2 THE COURT: "This area," is called the top  
3 between the two wings or legs.

4 A (Continuing.) The top which can be changed  
5 cannot be changed indiscriminantly, because it contains  
6 the functioning parts of the product, it contains the holes,  
7 which is the hinging fulcrum, and it contains the  
8 tag which is the stop. So in this area you cannot violate  
9 these distances. At that point I then designed or  
10 redesigned this area slightly--

11 THE COURT: Talking once again about the top  
12 area.

13 A (Continuing.) I redesigned the top area  
14 slightly and then I took all the liberties on the bottom  
15 area, because by redesigning the top area I was really  
16 designing the bottom area all at the same time. These  
17 are matching in size and shape. That's how I approach  
18 this type design.

19 Q Did Mr. Kramer assist you in the development  
20 of this part, that is, did he give you any drawings, any  
21 directions as to exactly what he wanted you to do or how  
22 to do it?

23 A No.

24 Q Did you become aware that Mr. Kramer filed a  
25 patent application on this part you designed?

1  
2 A Yes, I was.

3 Q When did you become aware of it?

4 A We had all his tooling and we were stamping  
5 patent pending and patent numbers on it at his direction.

6 Q Why didn't you insist on getting due credit  
7 as an inventor?

8 A I really had no knowledge of the patent laws  
9 at that time.

10 Q What do you mean? What did you understand  
11 them to be?

12 A I really didn't understand them to be anything  
13 in particular.

14 Q Was it that Mr. Kramer instructed you to mark  
15 patent pending or patent numbers, and you did so?

16 A Right.

17 Q Did you ever question him about what was  
18 going on?

19 A He said, "I have a patent on it," and it is  
20 his right to stamp patent pending on it. It is patented.

21 Q Did you actually know he identified himself  
22 as the inventor in papers he signed before the patent  
23 office?

24 A No, I did not.  
25

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Q One other small point, if I might, your Honor. With regard to Exhibit C, Defendant's Exhibit C, and compare that with Plaintiff's Exhibit 6, I note you have-- there is in Exhibit 6 a tab. What was that tab originally designed for in Exhibit 6 or did it appear-- why did you design such a tab in that part?

A This tab is the stop. I honestly can't recall if I saw a stop in the previous part or not. I honestly can't recall that. The only thing that I know was that I designed the curvature of the stop.

THE COURT: I am sorry, you designed the what?

THE WITNESS: The curvature of the stop. The stop has a curvature to match the pipe. I know I put that in there, in the bent form.

Q Did you also design these depressions?

A Those depressions were requested by Mr. Kramer to lock the tube when it opened.

Q Is that the function it serves?

A I somehow know more-- it serves some other function that I can't remember. But it was originally placed on this particular piece as a stop so that it should not come back out.

THE COURT: The record will reflect that the witness has been referring to Plaintiff's Exhibit 6.

MR. BERGER: I have no further questions.

MR. BUMGARDNER: Your Honor, I ask leave for either an adjournment or something before I cross examine this witness. Your Honor will observe that the fraud charge was never pleaded with particularity in the answer or counter-claim, as is normally required in a fraud charge. I am hearing the story for the first time. I need some time to check these facts with my client before cross examining this witness. These allegations are all new to me.



1 THE COURT: I am going to have to take a look  
2 at the file. I recognize, Mr. Bumgardner, that as an  
3 attorney who got into the case only a few days ago, things  
4 are quite difficult .

5 MR. BUMGARDNER: I have the amendment to  
6 answer by stipulation here and your Honor can look at it and  
7 see that there certainly are not particulars.

8 THE COURT: I would like to look at it, I  
9 agree.

10 (Recess.)

11 \* \* \*

12 (In open court.)

13 THE COURT: I see that all of the parties in  
14 the case that is on trial are not here right now, so let me  
15 just take care of another case.

16 (Pause.)

17 THE COURT: Mr. Bumgardner, because of the fact  
18 that I had these other pre-trial conferences scheduled for  
19 today, I know we have had almost an hour in between the time  
20 that the witness Gonsalves finished his direct examination  
21 until the present time. Do you think that that is enough  
22 time for you to prepare to cross examine him?

23 MR. BUMGARDNER: I am fully prepared to  
24 cross examine him, your Honor.  
25

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**THE COURT: Fine. Mr. Gonsalves.**

**CROSS EXAMINATION**

**BY MR. BUMGARDNER:**

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Q Do you recall testifying that you designed the bracket which is present here as--

THE COURT: Is it 6?

MR. BUMGARDNER: I think it's Exhibit 4, your Honor.

Q --Plaintiff's Exhibit 4 ?

A What was the question?

Q Do you recall having testified that you designed this bracket?

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2 A Yes, I do.

3 Q And it's your testimony that you did design  
4 this bracket?

5 A Yes, I did tell-- yes, I did say that.

6 Q I call your attention to Exhibits K and K prime  
7 and ask you if you testified that these represent in some  
8 way part of your design of bracket--of Exhibit 4.

9 A If I recall, this was a drawing that I showed  
10 to Mr. Kramer for his approval as to the design of the  
11 part.

12 Q You made that drawing?

13 A Yes, I did.

14 Q These are two prints of the same drawing; is  
15 that correct?

16 A Yes.

17 Q Referring to the Exhibits K and K Prime.  
18 Did you design that bracket at Mr. Kramer's  
19 request?

20 A Yes, I did.

21 Q Could you tell me again in what form  
22 Mr. Kramer's request to you was that you design that  
23 bracket?

24 A He brought me a competitor's part and he said  
25 that we would like to go into this bracket, we would like

1  
2 to save the material by making the bracket out of the least  
3 amount of material; we would like to go to a thinner gauge,  
4 and he wanted me to see what I could do to come up with a  
5 design to meet those requirements.

6 Q Can you show me, from among any of the  
7 exhibits here, which competitor's parts he came to you  
8 with?

9 A I believe that this was the flat blank of one  
10 of them.

11 Q That being Exhibit C that you are indicating,  
12 is that correct?

13 A And I really can't recall if it was D or A.  
14 Probably A.

15 Q Well, according to my notes, you testified  
16 last week that it was Exhibit D; is that a possibility?

17 A Yes, yes. D or A.

18 Q And you now think it may have been A rather  
19 than D ?

20 A They're very similiar. You know, at this point  
21 it's very hard to distinguish D from A.

22 Q The fact of the matter is--

23 A There's only one feature on it, there's a tag  
24 on the top.

25 Q In other words, on Exhibit A there's what you  
refer to as a tag?

1 A Right.

2 Q Is that sometimes called a saddle?

3 A A saddle, right.

4 Q In other words, right now your recollection is  
5 that it may have been, either A or D, but not both; is that  
6 correct?  
7

8 A I think he brought me only one sample so it  
9 could n't have been both, if I recall rightly.

10 Q Did he bring you a flattened bank or did he  
11 bring you a sample?

12 A No, I think he brought me the sample bent. We  
13 flattened it out for him.

14 Q In other words, if he brought you Exhibit C or  
15 something like it, it was not the flat form when you found  
16 it; is that correct?

17 A Right.

18 Q And you flattened it out; is that correct?

19 A Right.

20 Q And your recollection now is that he brought  
21 you only one sample?

22 A Well, I never said he brought me more than one  
23 sample.

24 Q Well, I'm not--

25 THE COURT: He's not arguing with you,



Mr. Gonsalves.

A Oh.

THE COURT: Your best recollection now is--

A He brought me one sample.

THE COURT: One sample.

A Right.

Q In other words, one of these, in other words, Exhibits A, C, or, D or one like it?

A Right.

Q But not in flattened form in the bracket shape form; is that correct?

A That's correct.

Q Did he bring you anything else at that time besides the bracket?

A Not that I can recall, no.

Q Did he bring you any drawings?

A No, he didn't.

Q Did he bring you any sketches?

A No, he didn't.

Q Did he bring you any paper blanks or blanks? Understand this to be plural or singular.

A No, he didn't. We might have sat down together and said, "Let's see how we could do it."

Q In other words, you might have sat down and

discussed this at the time he requested you to do that?

A Yes.

Q Do you recall there being any such discussions?

A Yes. There was practically on everything we did for him.

Q Do you recall specifically, in connection with this assignment, that led to your drawing or preparing the original drawing of Exhibits K and K Prime, do you recall specifically that there was a discussion then?

A Yes, there was.

Q What was the content of that discussion as well as you remember it?

A That I should try to design-- redesign the blank so that we can get the shortest scrap strip. That was the request.

Q Did--

A Design the blank for low scrap.

Q All right. Just so that I can get these questions organized in my mind, you have just testified that he didn't bring you any drawings. And my question to you, did he bring you one or more paper blanks shaped like a flattened bracket?

A No.

Q Did he bring you any calculations?

1 A No, he didn't.

2 Q Did he tell you what this product was?

3 A Yes, I am sure he did.

4 Q In other words, when he came to you with a  
5 bracket, you sat down and had a discussion and we'll assume  
6 for the purpose of argument that it might have been some-  
7 thing like ~~Exhibit~~ Exhibit A.

8 A Right. We discussed its function, how it  
9 was used and the critical points that had to remain.

10 Q What did he say about that to you, Mr. Gonsalves?

11 A That it went on a folding cot.

12 Q It went on a folding cot?

13 A And there was, I believe, a discussion that the  
14 leg had to remain on a slight angle so that the cot would  
15 not collapse when you sat on it.

16 Q Did he tell you what angle that was?

17 A No, but I believe that we-- together we  
18 checked the competitor's product to find out what the  
19 angle was.

20 Q What angle did you find out that it was?

21 A At this point I wouldn't be able to remember  
22 now.

23 Q What else did he tell you about the product?

24 A I really think there was much more that he told me.  
25

1  
2 Q Did he tell you anything about the angles of  
3 the legs or wings of the product as related to the center-  
4 line of the product in the flattened form?

5 A No, we really didn't discuss the flattened  
6 form except that I should make it choked up, close,  
7 interlocked, that it should not have any scrap.

8 THE COURT: Make it choked up?

9 THE WITNESS: You know, make the shortest  
10 possible advance. On a progressive die, your Honor, the  
11 distance that it advances each time is the amount of metal  
12 used up.

13 Q Did he have any discussion with you about  
14 holes in the bracket?

15 A Well, those were normal considerations at the  
16 time that we discussed any product. This bracket has one  
17 mounting hole. It's highly possible that he might have  
18 said to me, "I have a customer who is requesting two  
19 mounting holes."

20 Q I don't want to know what is highly possible and  
21 I don't really care what this bracket was because  
22 Exhibit A, as far as we know, may not be the specific  
23 sample that he gave to you; is that correct?

24 A That's correct

25 Q By the way, do you recall how many holes the

sample that he gave to you had?

A No, I wouldn't.

Q Do you recall any discussion with Mr. Kramer about the number of holes to be in the product that you were making the drawing for?

A Yes, I do recall that we discussed it had to have two holes in it.

Q Two holes?

A Right.

Q Two holes where?

A No, no. I mean a pair-- well, there are four holes in a flattened blank but it actually amounts to two rivet holes in the finished product. This is one hole in this product.

Q Fine. Just so that we can understand that testimony, Mr. Gonsalves, you were looking at Exhibit K Prime, and you were pointing to what I will call a flattened blank somewhere in the central-- let's say the second from left portion of that drawing; is that correct?

A Right.

Q A flattened blank having only a number of holes in it.

A Right.

Q Those holes are how many in the entire blank?

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2 A Six.

3 Q So that when you were testifying about four

4 holes, you were excluding the holes at the ends of the wings;

5 is that correct?

6 A That's correct.

7 Q What did you say Mr. Kramer said about this

8 when he came to you?

9 A Well, I refer to these holes as the mounting

10 holes and I believe that he requested two pairs-- in other

11 words, even though there's four holes here, it's two

12 mounting holes.

13 Q Two pairs of mounting holes?

14 A And this is one hinge hole, one pair

15 of hinge holes.

16 Q In terms of our discussion of holes from now

17 on, we will forget about the two holes out on the wings

18 which you just called hinge holes.

19 A Right.

20 Q And from now on for the next few questions

21 what we are talking about holes, we will now we are talking

22 only about mounting holes which appear down in the body?

23 A That's correct.

24 Q Of the blank?

25 A Right.



1 Q Your recollection is he asked that there be two  
2 pairs of mounting holes; is that correct?  
3

4 A That's correct.

5 Q Do you recall how many were in the sample that  
6 he brought you?

7 A I really couldn't recall that.

8 Q I am going to call your attention to Exhibit 4,  
9 which however is a product that you actually state that  
10 you have designed; is that correct? It's your statement  
11 that you designed Exhibit 4 or the original of it.

12 A This looks like exactly what I designed.

13 Q All right. I call your attention to the fact  
14 that it has only two mounting holes; is that correct?

15 A That's correct.

16 Q Can you explain to me how it came to have two  
17 mounting holes or one pair where when he originally asked  
18 you for two pairs or four mounting holes?

19 A I believe that this die has an option on it to  
20 make a number of holes. I believe the construction of the  
21 die had an option on it if I am not mistaken. In other  
22 words, there are times when you can either pierce four holes  
23 or pierce two holes.

24 Q Why did that die come to have such an option?  
25 Is that Mr. Kramer's idea or was that yours?

1           A       I would have to say that was Mr. Kremer's  
2  
3 because that would be a request on his part from his  
4 selling source as to how they would like it mounted.

5           Q       Your company actually built that die, did it  
6 not?

7           A       Yes, it did.

8           Q       And your company actually operated that die  
9 in production for some period of time?

10          A       Yes, it did.

11          Q       Would you recognize a photograph of that die  
12 if you were shown one?

13          A       I believe I would.

14               MR. BUMGARDNER: I ask that a photograph of a  
15 die be marked as Exhibit 17 for identification.

16               (Plaintiff's Exhibit 17 marked for  
17 identification.)

18               MR. BUMGARDNER: I ask another photograph of  
19 a die be marked as Exhibit 18 for identification.

20               (Plaintiff's Exhibit 18 marked for  
21 identification.)

22          Q       Mr. Gonsalves, I show you Exhibits 17 and 18  
23 for identification and ask you if you can recognize those  
24 photographs?

25          A       This looks like the die we built.

Q You are referring to Exhibit 17?

A 17. I would not be able to tell one photograph from the other. They both looked like the dies we built.

Q There's something a little different about the two photographs, though? In other words, there's some part of the die or some attachment to the die been removed in Exhibit 18 that's present in Exhibit 17?

A I believe the stripper has been taken off and placed between the posts.

Q That's my understanding, too. Those are both photographs, in other words, of the die which your company built which was used to make brackets like Exhibit 4 for identification; is that correct?

A That's correct.

MR. BUMGARDNER: Your Honor, I would like to offer these photographs in evidence. I would like to state or ask counsel if he will waive the best evidence rule. We have the die in the automobile trunk out in the parking lot but we didn't want to clutter up the Court's records with it; do you waive it? Mr. Kramer took the photographs insofar as I know.

MR. BERGER: Do you have an extra copy for me?

MR. BUMGARDNER: I will furnish you with a copy.

1 THE COURT: Mr. Berger, do you have an objection?

2 MR. BERGER: No, your Honor.

3 THE COURT: Fine.

4 (Plaintiff's Exhibits 17 and 18 received  
5 in evidence.)

6 THE COURT: Counsel, I want to point out to  
7 you Plaintiff's Exhibit 16 has not been received yet.

8 MR. BUMGARDNER: I realize that, your Honor. I  
9 am not completely sure I am going to offer it in evidence.

10 THE COURT: Okay.

11 I want you to show me what the difference is  
12 between those two exhibits.

13 A This is the die block here and this is the  
14 same photograph, the same die block with a covering stripper  
15 on it. You see the shadowy lines of the stripper has been  
16 removed and placed in the back between the two die posts,  
17 as I said. That's the difference that I saw.

18 THE COURT: Okay.

19 MR. BUMGARDNER: That's what I understand to  
20 be the fact.

21 THE COURT: Okay.

22 Q Mr. Gonsalves, calling your attention to  
23 Exhibit 17 and 18, could you show me and the Court what  
24 part of that die makes the mounting holes?  
25

1           A       I request that I get another pair of glasses.  
2  
3       I can't really see the photograph.

4           Q       Do you have another pair?

5           A       Yes, I do.

6               May I get it?

7           THE COURT:   Sure.

8           A       Your question was can I see a spot where the  
9       holes are made?

10          Q       Let me repeat my question now that you have  
11       the correct glasses. Can you show us which part of the  
12       die makes the mounting holes, that is, the mounting holes  
13       that we have talked about?

14          A       Okay. There's one, two, three holes here.  
15       Do you see this, your Honor? One, two, three holes on this  
16       side. One, two, three holes on that side. These two holes  
17       out here make the front holes. That's the explanation.  
18       One, two, three, four, five, six, seven and eight. One,  
19       two, three, four, five, six, seven and eight, which gives  
20       you an option to make it two holes or four holes.

21          Q       You were referring in your testimony immediately  
22       preceding this to Exhibit 18; is that correct?

23          A       That's correct.

24          Q       Those holes show perhaps, or hole-making device,  
25       show perhaps clearer than they do on 17.

          A       They show through the stripper, also. Here

1 is one, two, three, four, five, six, seven, eight holes.

2 Q Let the record show that starting at what would  
3 be presumably the right-hand side of the die blank viewed  
4 as it is in Exhibit K Prime, that the witness has counted  
5 the holes starting with a wing hole and then with  
6 provision for making anywhere up to three on each side for  
7 mounting holes and then finally ending with a wing hole;  
8 is that correct?  
9

10 A That's correct.

11 Q Did Mr. Kramer give you any instructions as to  
12 what size holes to make provision for in your product design  
13 and in the die?

14 A I am sure he did.

15 Q Did Mr. Kramer instruct you as to how much  
16 material was to be left around the wing holes, for  
17 example?

18 A Can you repeat the question?

19 Q Did Mr. Kramer instruct you as to what the  
20 margin material was to be left between the wing holes and  
21 the edge of the product?

22 A No, he didn't.

23 Q I show you Exhibit 6 and ask you if you  
24 recognize it except for some difference in the engraved  
25 writing on the two exhibits to be a flattened version of



Exhibit 4?

A Yes, I do.

Q In other words, this is like the blank before it is turned up?

A That's correct.

Q Which is used to make Exhibit 4; is that correct?

A That's correct.

Q Now, I call your attention to two little depressions which appear out near the wing holes. Do you see those two little depressions?

A Yes, I do.

Q Did Mr. Kramer instruct you to put those two depressions in the die?

A Yes, he did.

Q Or provision for making them?

A Yes, he did.

Q Did he tell you what the purpose was?

A Yes, he did.

Q What was that purpose?

A The purpose that he stated at the time was that it was to lock the leg from coming back out.

Q Did you understand that to be when the cot was in the folded or open position?

A Yes, that's correct.

1 Q Which?

2 A The cot was in the open position.

3 Q I call your attention to certain or what I  
4 call bulges in Exhibit 6 which I would understand are  
5 reinforcing ribs; is that correct?  
6

7 A Yes, that's correct.

8 Q Did Mr. Kramer give you instructions for the lo-  
9 cation and size and arrangement of the reinforcing ribs?

10 A No, he didn't.

11 Q That was entirely of your creation and design;  
12 is that correct?

13 A That's correct.

14 Q I call your attention to Exhibits A, B and C  
15 and particularly to the question of a saddle or saddle  
16 tab. Which of those exhibits have the provision for a  
17 saddle?

18 A Exhibits C and A.

19 Q D doesn't; is that correct?

20 A That's correct.

21 Q Did the sample which you say Mr. Kramer brought  
22 to you of a competitor's product have a saddle tab?

23 A That I don't recall.

24 Q Were you asked by Mr. Kramer to make provision  
25 for a saddle tab when you made the product design of

Exhibit K-1 and the die for making Exhibit 4?

A Yes, we had a discussion that a saddle should be added.

Q Did he tell you how to add the saddle?

A No, he didn't. It's my recollection that I added the radius on the saddle.

Q What do you mean by that, Mr. Gonsalves?

A This saddle—

Q You are indicating Exhibit 4.

A --has a curvature to match the tubing. It's my recollection that that was my idea.

Q I call your attention to Exhibit K Prime. Is there any part of Exhibit K Prime that indicates that concept?

A Yes, there is. The— it's denoted right there. Bend line one inch radius.

Q I call your attention to Exhibits A, C and D again. And ask you whether any of those exhibits have a half moon cut out portion at the bottom base or apex of the product such as appears in Exhibits 4 and 6?

A No, they don't.

Q Why does such a cut-out appear in Exhibits 4 and 6; is there any reason for it being there?

A Yes. It saves adding a piece of material to

produce that tag on the other end of the blank.

Q All right. Whose idea was it to make that saving of material?

A It was mine.

Q You are sure Mr. Kramer didn't tell you that?

A No, positive.

Q I believe you testified on Friday and also earlier today one of Mr. Kramer's instructions to you were to get the most out of the strip of material; that's the essence of your testimony; is that correct?

A That's correct.

Q What did Mr. Kramer say to you, if anything, as to how to achieve that objective?

A If he said anything, it was very little. It was entirely up to me.

Q Was that part of your-- that discussion when you sat down to discuss this project?

A That's correct.

Q Did he suggest to you that this product could be altered in some way to make it more possible to nest it?

A Yes, he did.

Q What suggestion did he make?

A I wouldn't recall, but very little. He left it to me.

1  
2 Q You just told me a minute ago that he did make  
3 some suggestions as to how to do that. What were those  
4 suggestions?

5 A He said we would have to use lighter gauge  
6 material, design ribbing or raised bumps. Use the  
7 shortest possible strip length, choke the blank together.

8 Q But he made either none or very little  
9 suggestions as to how to use the shortest length of strip?

10 A That's correct. How to achieve it was left  
11 totally up to me.

12 Q I wish you would let me finish my question. It  
13 makes a poor record. Even though you may anticipate what  
14 the answer is to be. I will repeat that question, if I  
15 may.

16 Is it a fact then according to your testimony  
17 that he made either little or no suggestions as to how to  
18 compress the blank to the shortest possible length?

19 A He made little or no suggestions along those  
20 lines, yes.

21 Q Do you recall testifying on Friday that-- as  
22 to how you went about doing the product design which is  
23 depicted in Exhibit K Prime; do you recall testifying to  
24 that?

25 A Yes, I do.

1  
2 Q How did you go about it? Would you repeat that  
3 just so that I have it in mind?

4 A Well, upon first looking at it , it looked  
5 like a fairly easy arrangement to redesign the product. But  
6 when it really got down to facts it became a little more  
7 difficult. And just making some sketches didn't solve  
8 the problem-- didn't solve the design.

9 I had to realize what could be changed and  
10 what had to remain. The location of the hinging holes  
11 as compared to the saddle has to remain, because that's--  
12 produces the angle of the leg when the cot is open and that  
13 was an established request by the cot manufacturers that  
14 when you sat on the cot, the leg had an outward angle  
15 so it shouldn't collapse. This couldn't be changed.

16 To nest the two pieces or to bring them closer  
17 together, the back in-- well, on Friday it was requested to  
18 say this is the bottom?

19 Q I don't care.

20 A The bottom of the blank has to match the top  
21 of the blank.

22 Q Oh. For the record we will indicate then that  
23 the bottom of the blank, and you are holding Exhibit 6--

24 A With the wings up.

25 Q --with the wings up, is the one that has the



half moon cut-out; is that correct?

A Yes.

Q And the top of the blank is opposite the bottom between the wings and has the saddle tab; is that correct?

A That's correct.

Q Just so we have our nomenclature.

A In redesigning the product, I could take the least amount of liberties with this end of the blank.

Q Meaning the top end?

A The top end of the blank. The two holes that produced the hinge and the portion that produced the saddle have to remain as the original was for distance. You could make some changes on it. I also had to be sure that I left enough for material around the holes for physical strength, and I had to produce a design that would both satisfy the front end and the back end.

THE COURT: That's the top end of the blank.

A The top end of the blank, I am sorry, your Honor. I believe that was my explanation Friday as to how I went about this design.

Q Do you recall testifying on Friday that you came to realize that the bottom end was the only part that could be changed to any great degree?

A That's correct.

Q And you still adhere to that testimony; is that correct?

A That's correct.

Q I call your attention to Exhibit C, for example, and ask you to make a visual comparison of it to Exhibit 6. You do know as I do that there is a material change in the bottom end on the two flat pieces; is that correct?

A There is a material change.

Q There is a material change.

A Yes, there is.

Q This might have been one of the products that was brought to you; is that correct?

A That's correct.

Q I ask you also if there's a material change in the arrangement and shape and direction of the leg portion or wing portion of these two blanks.

A Now what was the question?

THE COURT: Is there a material change between the Exhibit C and Exhibit 6 as to the leg portion of the blanks?

A I would say yes, it's a minor change.

Q Is it a material change or a minor change?

A It's a minor change.

Q What is that minor change?

1  
2 A Basically the location of the holes and the  
3 saddle remain the same.

4 Q Well, there is a very substantial change, is  
5 there not, in the configuration of the top portion of  
6 the blank?

7 A Compared to the other end, it's minor. The  
8 major change is back here. This is the minor change.

9 THE COURT: All right. Let me get this  
10 straight for the record. The major change is on the  
11 bottom of Exhibit 6 and the minor change is on the top of  
12 Exhibit 6.

13 Q Is it your testimony merely that compared to  
14 the change on the bottom of Exhibit 6 as compared to Exhibit C  
15 the change on the top end is minor?

16 A That's correct. You can take some liberties--  
17 oh, I could take no liberties in this location and I could  
18 take smaller amounts of liberties here than I could at that  
19 end.

20 Q Even though you may well--  
21 Even though the change in the top end of the  
22 blank of Exhibit 6 as compared to Exhibit C may be minor  
23 compared to the change in the bottom end, it is nevertheless  
24 substantial in its own right, is it not? And I am referring  
25 to the inner configuration of the tops of the two blanks.

1 A The exact degree is hard to define. There's a  
2 very little piece of metal change there when you look at it.  
3

4 THE COURT: Counsel, I tell you what: Getting  
5 into a discussion of minor and major with any witness brings  
6 us into the area of subjective judgment and under the  
7 circumstances the only subjective judgment which counts is  
8 mine.  
9

10 MR. BUMGARDNER: Yes, your Honor. I have just  
11 one more question in this area.

12 Q Comparing Exhibits 6 and C, Mr. Gonsalves,  
13 do the legs in the respective exhibits actually thrust out  
14 in different directions?

15 A That's an-- it's hard for me to understand the  
16 question.

17 Q It's hard for me to phrase it.

18 A If you are saying these two legs point out and  
19 these two legs point more ahead, it does have that visual  
20 aesthetic look.

21 Q In other words, visually it looks it would  
22 appear that the legs or wings on Exhibit C point outward  
23 whereas the legs or wings on Exhibit 6 have more of a  
24 curved end appearance; is that correct?

25 A That's true. When you bend them up they are  
exactly in the same position bent up.

1  
2 Q Well, calling your attention, for example, to  
3 a comparison of Exhibits 4 and Exhibit D, would you say  
4 that those are exactly in the same position when bent up,  
5 talking about the wings?

6 A I look right through the four holes and they  
7 line up. I will say they are exactly in the same position,  
8 yes.

9 Q In other words, what it is you are saying in  
10 effect is when you hold the mounting holes together in Exhibit  
11 4 and D, the wing holes wind up corresponding each other;  
12 is that correct?

13 A That's correct.

14 Q But when you compare the arrangement of the  
15 wings or legs on the respective exhibits, even though  
16 they get the wing portion to the— I mean the wing holes  
17 to the same location, they do have quite a different shape,  
18 do they not?

19 A Mostly on the outside, your Honor. They're  
20 pretty close on the inside, exactly the same on this  
21 side. Mostly on this side. That's my judgment. Basically  
22 the inside is the same.

23 MR. BERGER: Excuse me, your Honor, is there  
24 clarification of inside and outside needed for the record?  
25

THE COURT: No.

MR. BERGER: Okay.

Q Did Mr. Kramer, at the time that he was--

THE COURT: Are you finished with the two exhibits?

MR. BUMGARDNER: Yes, your Honor.

THE COURT: Mr. Gonsalves, on Exhibit # D, can you tell me where the line of stress is between the two holes?

THE WITNESS: I don't understand your question, your Honor. You mean--what do you mean by the line of stress?

THE COURT: In other words, when somebody sat on it--

THE WITNESS: When it's in function on the cot?

THE COURT: That's right.

THE WITNESS: The stress would be towards the top portion of the holes, to be ripped off.

THE COURT: If you were going to put a reinforcing rib in Exhibit D, where would you put it?

A I would put it in this-- along this portion here.

THE COURT: Along the wing, between the two holes; is that correct?

THE WITNESS: That's correct.

THE COURT: All right, counselor.



Q At the time Mr. Kramer requested, according to you, that you design this product, did he bring you any sample of the cot tubing to which this product was meant to be applied?

A We had tubing that was brought to us by Mr. Kramer for most of the work we did, not specifically for this job.

Q Was it always the same size tubing or was it different size of tubing for different jobs?

A It was basically always the same size tubing.

Q Did Mr. Kramer bring you some tubing with respect to this request?

A There was tubing that Mr. Kramer had supplied us on our premises for many jobs. He didn't have to bring it specifically for this. It was always there. If he arrived he said, "Let me see a piece of tubing," and we got him a piece of tubing that he had supplied to us maybe a year before, maybe a month before. At sometime prior.

Q Showing you Exhibit 4, the die, which is depicted in Exhibit 17 and 18, has provision among other operations, for bending Exhibit 4 up into the U shape that it appears in here, does it not?

A Yes, it does.

Q How did you know what the U shape was supposed

1  
2 to be?

3 A I was brought a finished sample originally.

4 Q In other words, you were told it was to be  
5 the same as some competitor's product?

6 A That's correct.

7 Q Therefore in terms of folded up distance  
8 between the wing holes, you simply made it the same as  
9 the product you were brought; is that correct?

10 A That's correct.

11 Q You told us about the considerations that went  
12 into this product design. Could you tell me a little bit  
13 about the procedure that you followed in doing this. Did  
14 you make any sketches, for example, prior to making the  
15 original drawing which appears as Exhibit K Prime?

16 A Yes, I did.

17 Q Did you make a lot of sketches?

18 A I really can't recall how many sketches I made.

19 Q Was it--

20 A But I recall that this was probably-- to  
21 produce this drawing was probably three, four days work.

22 Q What I want to know now is what you did in  
23 those three, four days. Did you make only one or two  
24 sketches or did you make a lot of sketches?

25 A I started out by making what I felt was a

nothing with nothing sketch that would solve the whole problem in one, two, three, and then I realized it could not be solved that way; that I had to really sit down and think out exactly how I could do it.

Q Did you make any calculations in thinking this out?

A Yes, I did.

Q What did you calculate?

A I first had to realize that the blank is bent and I am working on it while it's flat. Whatever happens flat is entirely different than bent. When you look at it. I had to realize what I could change and what I couldn't change. I could not change the location of the two holes on the wing, to the saddle, because that distance produced the angle that leg would remain open at.

Q Well, now, you just testified, I believe, though, that you made some calculations in aid of your design; is that correct?

A That's a calculation that I just said.

Q Did you make any mathematical calculations? Is that expression clear?

A Yes.

Q Did you do any arithmetic, for example, or any trigonometry?

1  
2 A Yes, I may have done some trigonometry.

3 Q Could you tell me what type of trigonometry  
4 or what types of calculations you made?

5 A Basically to design this product you really  
6 need very little calculations at all. I doubt if I made  
7 many calculations. But I may have wanted to know the  
8 angle-- the relative different angles. In making a drawing  
9 to locate one hole to another hole. There are a number of  
10 calculations, trigonometrical calculations that you have to  
11 do to build the die. But to design the product would  
12 involve very little trigonometry.

13 Q In other words, it's your testimony now that  
14 contrary to what you said a few minutes ago you didn't  
15 make any calculations to speak of in order to design the  
16 product?

17 A No.

18 Q And any calculations you made related to the  
19 die?

20 A That's correct.

21 Q Referring to Exhibit K Prime, is it a fact that  
22 if those blanks, those successive blanks were just rect-  
23 angles nested together that there would be no scrap  
24 at all, if the rectangles ran from edge to edge on the  
25 material? Do you understand the question?

1  
2 A Yes, you are saying make a chop off blank.  
3 Feed out a chip and chop off square blanks.

4 Q If the entire square blank is desired, then,  
5 in that type of an operation there is no scrap at all; is  
6 that correct?

7 A That's correct.

8 Q And in the die and blank operation which is  
9 depicted at least schematically on Exhibit K Prime, there  
10 is some scrap; is there not?

11 A Yes, there is.

12 Q Did you make any calculations or in arithmetic  
13 or trigonometry or anything of that type in order to figure  
14 out how near a zero scrap operation you could get in your  
15 product design?

16 A No, I didn't make any calculations.

17 Q Are there any limiting factors to keep you  
18 from approaching zero scrap?

19 A Yes, there are.

20 Q What are those limiting factors?

21 A An aesthetically--pretty part with a rounded  
22 edge. I can't have a square corner here. It would limit  
23 the scrap.

24 Q If you did have a square corner, it wouldn't  
25 have the utility, would it, in the finished article?

1 A No, it wouldn't.

2 Q In other words, we would just be saying it  
3 isn't scrap because we didn't remove it from the piece; is  
4 that correct?

5 A That's correct. There's no way to make round  
6 washers without scrap that I know of from flat blank to  
7 speak of.

8 Q Well, are there changes that you could make  
9 in this product, Exhibit 6, that would result in even less  
10 scrap than that particular design has?

11 MR. BERGER: If you remember, Mr. Dosso is a  
12 witness who will be speaking about what Mr. Gonsalves is  
13 speaking about.

14 THE COURT: Who is Mr. Dosso?

15 MR. BERGER: A partner of Mr. Gonsalves in the  
16 Erie Packaging.

17 THE COURT: Do you want him sequestered?

18 MR. BUMGARDNER: I understand he is here  
19 essentially to corroborate this witness' testimony.

20 THE COURT: Mr. Berger, would you tell him that  
21 he has to wait outside. By the way, Mr. Bumgardner, how  
22 long do you expect to continue with Mr. Gonsalves?

23 MR. BUMGARDNER: I would say I probably have  
24 another 45 minutes, your Honor. I am about to leave this  
25



subject. We have a number of others.

THE COURT: That brings us to 6:30. I have been sitting on this bench since 9:30 this morning and I am getting tired, to be honest with you. 6:30 is even later than a civilized time. We are putting Mr. Dosso in the jury room right here.

Let's continue and see what we can do.

(Question read.)

Q I am referring to the design shown in Exhibit K Prime.

Q Well, the first time I did it, I did a pretty good job. To do it over again, to result in less scrap, the first time it took me four days, to make an improvement on it, which may or may not be possible, would probably take me at least as long.

Q And you made no calculations in order to design the product; is that correct?

A That's correct.

Q All right. Where are these sketches which you made in aid of your design which appeared ultimately in Exhibit K Prime?

A I would-- I am sure I would no longer have those sketches. This I am sure would be the only resulting drawing that I would have left.

1 Q Do you have any notes of any kind other than  
2 this particular drawing which relate to your design efforts  
3 with respect to the product Exhibit 6?  
4

5 A I don't think I would have any-- I don't think  
6 they would be available. I mean, this is nine years ago.  
7

8 Q That's right.

9 A And it's a technical record.

10 Q That's right.

11 A And a record-- I kept the finished record.

12 Q What are you testifying you kept? In other  
13 words, you kept this actual piece of paper, which is  
14 marked Exhibit K Prime; is that correct?

15 A That's correct.

16 Q Did you keep the tracing?

17 A Yes.

18 Q From which this is made?

19 A I believe I have the tracing.

20 Q Do you have any other prints of Exhibit K Prime?

21 A That I would not know.

22 Q Do you have any notes, calculations or drawings  
23 which led up to the preparation of Exhibit K Prime?

24 A I don't.

25 Q Do you have any notes, calculations or sketches  
which led up to the design of the die, which appears

2 depicted in Exhibits 17 and 18?

3 A I don't think I would have that, either. I  
4 may have the die drawing, though I looked for it and I  
5 was having difficulty finding it.

6 Q By the die drawing, you mean the drawing of the  
7 actual metal parts which make up the die; is that correct?

8 A That's correct.

9 Q Is it your custom to dispose of all intermediate  
10 design notes on every design job that you do?

11 A Not per se . They tend to get lost over the  
12 years. Because they are generally on odd pieces of paper  
13 and not very organized. When you decided on something you  
14 make a little note for yourself that this is the way I  
15 think we should do it and you advance on it. It doesn't  
16 come out good but you put it aside.

17 Q At any time in your preparation for or anticipating  
18 testifying at this trial, did you make a search of your  
19 files or records for any sketches or notes or calculations  
20 relating to preparation of Exhibit K Prime?

21 A No, I didn't.

22 Q Is it a fact you didn't look for them, that  
23 you knew that none such existed?

24 A No, that's not true. I just said I looked for  
25 the die drawing.

1 Q You looked for your notes or preliminary sketches  
2 with respect to Exhibit K Prime?  
3

4 A I didn't look for them, no.

5 Q Why didn't you look for them? Is there some  
6 reason?

7 A I really don't think I have it.

8 Q Did you ever have them?

9 A Sure I did.

10 Q Did Mr. Kramer participate with you at all in  
11 this two or three days of effort that led to the preparation  
12 of Exhibit K Prime? I am talking about after the period  
13 that he allegedly came to you with a competitor's product  
14 and asked you to do something.

15 A No, he didn't.

16 Q In other words, between the time that he came  
17 to you with the product and you had a discussion and the  
18 time that you had prepared Exhibit K Prime there were no  
19 further discussions between you with respect to your  
20 design effort; is that correct?

21 A No. We may have had another short discussion.

22 Q Let's see what you actually remember. I mean,  
23 may have is a little too vague for the Court to deal with.

24 Do you recall there being some other discussion  
25 in that period?

1 A No, I can't say whether I recall whether there  
2 was some or there wasn't any. He may have asked me have  
3 you come up--  
4

5 THE COURT: But you have no recollection of a  
6 discussion, right?

7 THE WITNESS: That's correct, your Honor.

8 THE COURT: Okay. Fine. Let's stop there.

9 Q Do you recall where Mr. Kramer physically was  
10 when this operation was going on? And by that I mean do you  
11 recall whether he was out of town or out of his plant and  
12 office continuously or was he there during this period?

13 A His plant and office they are where?

14 Q Well, during that time that you designed this  
15 particular product, was Mr. Kramer's place of business not  
16 under the same roof as your place of business?

17 A No, it was not.

18 Q Isee. All right.

19 Was he in your place of business at any time  
20 from the period while you were working on the design which  
21 ultimately became Exhibit K Prime?

22 A That I couldn't recall. Mr. Kramer--

23 Q That's enough. If you can't recall it,  
24 that's a sufficient answer.

25 On your direct testimony on Friday, Mr. Gonsalves,

1 do you recall testifying with respect to the stamped on  
2 printed matter on Exhibits 6 and 4, that is, on 6 it says,  
3 "Patent," and it gives a patent number which is No. 3310268  
4 and others pend.  
5

6 Exhibit 4, it says simply, "Pat Pend." That's  
7 correct, isn't it?

8 A Yes.

9 Q Do you recall your testimony with respect to  
10 the manufacture of brackets of the type of Exhibit 4 with  
11 writing in both these contents on those parts?

12 A I didn't--

13 Q Do you recall your testimony on Friday with  
14 respect to--

15 A Yes, I recall my testimony on Friday, all of it.

16 Q All right.

17 Now, do you recall testifying that you were  
18 aware of Mr. Kramer's patent application relating to this  
19 bracket while it was pending?

20 A Yes.

21 Q That's correct, is it not?

22 A Yes.

23 Q Were you aware when the patent issued?

24 A I was aware from the fact that Mr. Kramer said to me  
25

"Remove the stamp and put in the-- and make a stamp with that number on it," and he generally gave me the exact wording he wanted on every product that we made for him.

Q All right. In other words, there came a point in time when he came to you and said, "Okay, take pat pend off the product."

A That's correct.

Q "And put on the patent number," is that correct?

A That's correct.

Q Was it your belief that all this time, that is, at the time when you were making the product with pat pend on it and the time when and shortly after Mr. Kramer came to you and asked you to put the patent number on, that you were the actual developer or inventor of this design?

A Was it my belief that I--

Q That you were the actual developer or inventor of this bracket? I am not asking you to characterize an inven Let's say the creating of this bracket.

A Yes, yes.

Q It was your belief at all those times that it was you and not him that was the father of this piece of hardware, in other words?

A Yes.

Q Didn't it seem a little strange to you that



1 Mr. Kramer was apparently applying for a patent on what  
2 was your creation?

3  
4 A I really had no idea how the patent laws operated.

5 Q In other words, you didn't really know what a  
6 patent was at that time, is that correct?

7 A That's correct.

8 Q That was even true when you put the patent  
9 number on?

10 A That's correct.

11 Q But you did testify on Friday on cross  
12 examination that you had already been sued for patent  
13 infringing on one prior occasion; is that correct?

14 A That's correct. Yes.

15 Q And that you consulted an attorney and that he  
16 put in an answer; that's correct?

17 A That's correct.

18 Q Didn't he give you any advice on the patent  
19 laws at that time?

20 A He was my regular attorney. He wasn't a  
21 patent attorney.

22 Q Had you ever had occasion in connection with any  
23 other matter to consult a patent attorney, let's say prior  
24 to the time that you were told to put this particular  
25 patent number on this particular part?

1  
2 A I don't think I ever did, no. Not till then.

3 Q So the reason you didn't get upset with  
4 Mr. Kramer doing this was pretty much purely that you didn't  
5 know what your patent rights were; is that correct?

6 A That's correct.

7 Q Did you in any of your employment with  
8 Precision prepare any patent drawings for any employer or  
9 for management there for filing at the patent office?

10 A No, I didn't.

11 Q Are you the inventor named in any U.S. Patents?

12 A Yes, I am.

13 Q When did you first make an invention, Mr. Gonsalves?  
14 MR. BERGER: Do you want to change it  
15 for which a patent application was filed?

16 MR. BUMGARDNER: No, I want to know when he  
17 first made an invention .

18 MR. BERGER: Any invention?

19 A I would say that I worked on patentable  
20 devices at Precision.

21 Q Did you contribute to what you believe to have  
22 been an invention at Precision?

23 A Yes, I do. I know that to be a fact today, yes.

24 Q Were you ever named as an inventor in any  
25 patent application filed in any of this work that you did

1  
2 at Precision?

3 THE COURT: If you know.

4 A I really don't-- if they filed an application  
5 with my name on it, I really don't recall ever signing  
6 anything.

7 Q You don't recall ever having signed an  
8 inventor's oath while at Precision; is that correct?  
9

10 A That's correct, I don't remember that, no.

11 Q When did you first sign an inventor's oath?

12 A Your Honor, exactly what is an inventor's oath?

13 THE COURT: On the first page or one of the  
14 pages of the patent application the inventor has to sign it.

15 THE WITNESS: I see.

16 THE COURT: He signs that he invented it and s o  
17 on and so forth; is that correct?

18 Q When did you first sign a patent application  
19 or any part of it? You have indicated that you are a  
20 patentee now.

21 A I really couldn't recall the date. But I  
22 would say the oldest patent that I have may go back about  
23 six years. I mean, I would say that that's the first time  
24 I remember signing it. If I signed one at Precision, I  
25 really didn't know what I was signing.

Q All right.

1 Did you personally have a patent attorney  
2 prepare that first application for you?  
3

4 A Oh, yes.

5 Q You gave him certain information in order that  
6 he can prepare that application?

7 A Yes.

8 Q Do you recall signing something after he  
9 finished preparing it?

10 A Yes.

11 Q Did he discuss various aspects of the patent  
12 law with you at that time?

13 A Yes, he did.

14 Q Did you read that application before you signed  
15 it?

16 A Yes, I probably did.

17 Q And you read also the page that you signed, I  
18 assume; is that correct?

19 A Yes, that's correct. I know what the patent  
20 oath, that you referred to before, is. I didn't know it  
21 by its correct terminology.

22 Q Pardon?

23 A I know what the patent oath is. I didn't know  
24 it by its terminology.

25 Q That's all right, Mr. Gonsalves.

1  
2 Mr. Gonsalves, if you had known at the time  
3 that you were manufacturing these parts with patent  
4 pending on them, what you know now about the patents,  
5 would you have made any objection to Mr. Kramer filing  
6 this pending application?

7 A I feel that I would have.

8 MR. BUMGARDNER: I would like to have marked for  
9 identification a soft copy of U.S.-- this is a xerox copy  
10 taken from the library, of U.S. Patent No. 3423113.

11 (Plaintiff's Exhibit 19 marked for  
12 identification.)

13 MR. BUMGARDNER: I would like to state for the  
14 record with respect to Exhibit 19--

15 THE CLERK: We have got it for identification,  
16 your Honor.

17 THE COURT: All right. Someone's got to  
18 identify it or someone's got to offer it in evidence.

19 MR. BUMGARDNER: I just want to state the  
20 caption. Should I have him identify it first?

21 THE COURT: It's his patent, I would guess so.

22 Q Mr. Gonsalves, I show you Exhibit 19 for  
23 identification and acknowledging that its a reproduction or  
24 copy of something, can you identify what that document is in  
25 its original form?

1  
2 A Yes, it looks like a patent that I hold.

3 Q Well, is it a patent that you hold?

4 A Yes, I hold a patent on the device, just like  
5 this . This looks like the patent.

6 Q In other words, it says at the top, does it not,  
7 the patent is issued to G.E. Gonsalves, et al; is that  
8 correct?

9 A That's correct.

10 Q Is that your name?

11 A Yes, it is.

12 Q And it's patent no. 3423113, is that correct?

13 A Yes, that's correct.

14 Q Do you recognize that to be a patent belonging  
15 to you?

16 A Yes, I do.

17 Q Or to your company, which is it?

18 A I think it belongs to me-- I don't recall. I  
19 think it--

20 Q By belonging to the company it was assigned, is  
21 what you are saying?

22 A It may have been, I don't know. That I don't  
23 recall. But this is a patent that I developed, yes.

24 Q All right. Were you the sole inventor of the  
25 subject matter in that patent?

1  
2 A No, I was not.

3 Q But you were one of the inventors in the  
4 subject matter in that patent, were you not?

5 A Yes, I was.

6 Q Calling your attention to the fact that this  
7 patent was filed or bears an indication that it was filed  
8 on January 10, 1966, can you tell me when you  
9 participated in or made the invention which is the subject  
10 matter of this patent?

11 A It had to be prior to this date, obviously. I  
12 really can't exactly say; but a number of months. A year  
13 possibly.

14 Q It's your recollection now that it was at  
15 least a number of months prior to that; is that correct?

16 A That's correct.

17 Q When did you first consult a patent attorney  
18 with respect to the preparation of the application for  
19 this patent?

20 A I believe it took us about a year and a half to  
21 get the patent. So if the issuing date is on here--  
22 well, there's a file date.

23 Q That's right. I called your attention  
24 specifically to the file date.

25 A Obviously this is the file date on the patent.



2 It says January 10, 1966.

3 Q Right.

4 THE COURT: Mr. Berger, do you object to this  
5 going into evidence?

6 MR. BERGER: No, I am not going to object,  
7 your Honor?

8 THE COURT: All right. Mr. Clerk, will you  
9 note that Exhibit 10 for identification has gone into  
10 evidence.

11 (Plaintiff's Exhibit 19 received in  
12 evidence.)

13 Q Calling your attention specifically  
14 to the filing date, which appears on this exhibit,  
15 Mr. Gonsalves, I ask you now if you now recall when you  
16 first consulted the patent attorney in order to obtain this  
17 patent, to file the application for you?

18 A I wouldn't remember the date. I could probably  
19 research the date through my records but it would be a  
20 number of months before that date.

21 Q It was a number of months before the filing  
22 date, in other words?

23 A Well, I would say two months. It took my  
24 patent attorney some time to file.  
25

Q You do recall that it took him some period of time to do whatever he did to get the application ready for you to sign; is that correct?

A Right.

Q And that may have been as little as two months or might be somewhat greater number of months; is that correct?

A I would say at this point now I understand the question better. It's approximately two months.

Q All right. During the course of that time, you had some conversations with your patent attorney, did you not?

A Yes, that's correct.

Q Did he explain anything to you about patent rights and how they could be obtained and what could be patented and what could not?

A Yes, he did.

Q And he asked you a lot of questions in order to get information for the application also, did he not?

A Yes, he did.

Q In other words, he told you something about patent law and you in turn told him about the invention?

A That's correct.

Q Now, calling your attention to the fact that at

1 least two months before January 10, 1966, you apparently  
2 first came in contact with the patent attorney of your own  
3 and had conversations with him about the patent law, patent  
4 rights, during that period of time, and calling your  
5 attention also to the fact that U.S. Patent No. 3310--  
6 3310268, that is, the patent in suit, didn't issue until  
7 March 21, 1967?  
8

9 A Right.

10 Q Is it a fact that you were fully advised on  
11 certain aspects of the patent laws while you were making  
12 parts of said patent pending on them in the style of  
13 Exhibit 4?

14 A Yes.

15 Q So you weren't telling us exactly what was true  
16 when you said you didn't know what a patent was when you  
17 were doing this for Mr. Kramer; is that correct?

18 A It's incorrect.

19 Q You mean my statement is incorrect?

20 A Yes.

21 Q In other words, it's your statement now notwith-  
22 standing the fact that you already had filed a patent  
23 application, that you still didn't know what a patent was  
24 at the time that you were stamping patent pending on parts  
25 like Exhibit 4 for Mr. Kramer, is that your testimony?

1 A I thought you were referring to the fact that  
2 if I knew what a patent was at the time that I did this  
3 drawing. I meant-- may have misunderstood what you were  
4 saying. While I was manufacturing this part for  
5 Mr. Kramer and stamping patent pending on it, and changed  
6 the stamp to apply a patent number, I was getting some  
7 ideas of what a patent was.  
8

9 Q But you--

10 A Through my own channels.

11 Q You testified on Friday, and you testified  
12 again before I brought this patent to your attention today,  
13 that you still didn't know what a patent was at the time  
14 that you put the patent number on that particular part; is  
15 that not correct?

16 A That's correct.

17 Q And you are changing your testimony now; is  
18 that what you are doing?

19 A Not really. I feel that when I filed this  
20 application  
21 patent I still didn't fully understand all the patent laws.  
22 It was my first patent and I didn't fully understand all  
23 the patent laws.

24 Q The question is not really whether you were a  
25 patent attorney or fully cognizant of all the patent laws,  
your statement, I believe, to this Court is, that you  
didn't know what a patent was then; is that the statement

DHpa

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Gonsalves-Cross

317

you make?

MR. BERGER: Your Honor, I object.

THE COURT: Yes.

MR. BERGER: I think the record will show  
what he said.

THE COURT: It's getting repetitious.

MR. BUMGARDNER: All right.

(Recess.)

\*

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MR. BERGER: The defendant would like to call  
as its next witness, Mr. Dosso.

THE COURT: By the way, the record should  
reflect by stipulation of counsel Mr. Gonsalves is to  
return tomorrow for continued cross examination.

F E L I C E D O S S O ,            called as a  
witness by the defense, having been duly  
sworn, testified as follows:

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\* \* \*

**CROSS EXAMINATION**

**BY MR. BUMGARDNER:**

**Q** Mr. Dosso, you have stated that you are familiar with Exhibits 6, C and D, is that correct?

**A** Not that. This and this.

**THE COURT:** All right. The witness has indicated that he is not familiar with Exhibit D but with 6 and C.

\* \* \*



\* \* \*

Q How did you become familiar with Exhibit C?

A Because Mr. Kramer brought it.

Q Did he bring this particular piece or something that looked just like this piece?

A Right.

THE COURT: Was it that piece or was it something that looked like that piece?

A It was that piece, it was that piece.

THE COURT: It was that piece.

THE WITNESS: Yes, into a U. A form, in other words, like this shape.

MR. BUMGARDNER: Indicating Exhibit D.

1  
2 A In other words, well, this is a U, too. It's  
3 a U. We call it a U. That's what it was, into a U.

4 MR. BUMGARDNER: The witness was indicating  
5 Exhibit 4 in the latter part of the answer.

6 Q In other words, what it is you say, if I  
7 understand you correctly, is that Mr. Kramer came with a  
8 piece, either this piece of something just like it, meaning  
9 Exhibit C, but at that time it was formed into a U more  
10 like Exhibit 4; is that correct?

11 A Right.

12 Q What was the position of the stop as you have  
13 referred to it on Exhibit C?

14 A It was bent in. It was formed inside shaped like  
15 Exhibit 4.

16 Q Was there--

17 A The same angle like that, almost, in other  
18 words, it was bent down to a stop.

19 Q It was bent down, right?

20 A Right.

21 Q Did it have a rounded appearance like the stop  
22 on Exhibit 4?

23 A No.

24 Q Was it different?

25 A It was straight.

Q It was straight across?

A Right.

Q Is that the first time you had seen anything like  
Exhibit C?

A Yes.

Q When Mr. Kramer brought it--

THE COURT: Was the answer yes?

THE WITNESS: Yes.

Q Had you, before Mr. Kramer brought this  
Exhibit C part to you, and Mr. Gonsalves, had you ever  
seen any leg bracket for a bed?

A No.

Q In other words, you had never seen anything  
like Exhibit 4 or like Exhibit D?

A No, I had no knowledge.

Q Or Exhibit F?

A No.

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Dosso-cross

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\* \* \*

Q Is there something else you wanted to say?

A Yes. He want to go a little big on the tab  
over here. What do you call this, a tab?

MR. BUMGARDNER: The witness is indicating  
what we have referred to as a saddle.

A A saddle?

Q Yes, that's all right. Go ahead.

A So I told him not to go too bigger. You go a little smaller because it's less problems to cut it off.

Q So you suggested, in other words, to Mr. Gonsalves, that the tab he kept a certain relatively small size, at least not too big for ease of manufacture; is that correct?

A Yes.

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Dosso-cross

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\* \* \*

Q Mr. Dosso, when Mr. Kramer came and brought a  
part like Exhibit C, and asked Mr. Gonsalves to do something,



1 did he say what Exhibit C was for?

2 A Yes. He say it's for the bed for the cot.

3 Q Did he show Mr. Gonsalves how it went on the cot?

4 A Yes, he show it went on the pipe.

5 Q You--

6 A We didn't have no cot in the shop to show a  
7 cot.

8 Q Did he have some tubing, did he demonstrate  
9 how it fit?

10 A Yes.

11 Q Did he say anything about angles to Mr. Gonsalves?

12 A No.

13 Q You are quite sure there was no discussion of  
14 angles?

15 A Yes.

16 Q How many pieces of tubing did he use to show  
17 how the bracket fit?

18 A Two.

19 Q Two?

20 A Yes.

21 Q Did he hold them in some particular way?

22 A Yes.

23 Q In what way was that?

24 A One tube it fits in here and the other tube it  
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fits across.

Q Like a T?

A Right.

Q Were they at right angles to each other?

A No.

Q One of them was on a slant?

A Yes.

Q Did Mr. Kramer discuss why it had to be on a  
slant?

A Yes.

Q Did he discuss how slanted it had to be?

A Well, he say it can be the same as that.

Q Showing, in other words?

A Yes.

\* \* \*

1 If they are not business people they are men who have  
2 had training in vocational schools or high schools or  
3 special training of that nature.  
4

5 Q Is it common to find engineering graduates  
6 in positions of management in these metal stamping and  
7 die making shops?

8 A I don't think it's common. If it is, they  
9 generally have business engineering degrees as opposed to  
10 mechanical or electrical engineering degrees.

11 Q Mr. Kramer, you have been present in the Court-  
12 room while Mr. Gonsalves and Mr. Dosso have given testimony  
13 as to various meetings and transactions and telephone calls  
14 with you, have you not?

15 A I have.

16 Q I would like, if I may, to lead you through  
17 those various transactions one at a time and have you  
18 tell your story as to what took place in each of those  
19 contacts.

20 So with that in mind I call your attention  
21 specifically to some request by you that led to the  
22 preparation by Mr. Gonsalves of the drawing which we have  
23 marked as Exhibit K Prime in evidence. I place that  
24 exhibit in front of you.

25 To the best of your recollection, would you

1 tell the Court what transpired on the occasion when you  
2 made some request to Mr. Gonsalves that led to the preparacion  
3 of that drawing.  
4

5 A I paid a visit to Erie Packaging Corporation  
6 at 21 Bond Street, where I was having parts made. He was  
7 my vendor. Not only was he my vendor, but I had my name  
8 on the door to show my customers that I had a place of  
9 business at that time. I came to him and asked him to  
10 make a layout of a part which I intended to patent  
11 and I gave him a piece of cardboard of the product similar  
12 to what is drawn here and he asked me, "What is it?" And  
13 I says to him, "George, you know you are not supposed to  
14 ask me that, because it's patent applied for and I haven't  
15 got it protected as yet. You know that because you have  
16 made eight or ten or twelve other products for me and we  
17 go through the same thing every time I come to you. So  
18 you know I am not going to tell you."

19 "Okay," he said.

20 I said, "Would you be kind enough to draw it up  
21 for me in layout. I want to see how many sections are  
22 going to be in the die."

23 He says, "Okay."

24 I gave him the cardboard and he went ahead and  
25 he drew it up for me while I waited.



Q How long do you have to wait?

A Oh, but for telephone calls that he got interrupted with, things of that nature, I think it was 20 minutes to an hour.

Q Is it your testimony that in 20 minutes to an hour after your request he had completed the original tracing of which Exhibit K Prime is a print?

A That's correct.

Q Was Mr. Dosso present with you and Mr. Gonsalves at any time during this hour?

A He wasn't present in the same immediate vicinity, but he was in the building, in the other room.

Q Did he participate in any conversation you had with Mr. Gonsalves relative to the preparation of that drawing?

A Absolutely not.

Q Was there any conversation between you and Mr. Gonsalves during the course of preparation of that drawing?

A Yes. We talked about the product and I refused to tell him where it was going or what it was for or what it was intended for. I just gave him this flat piece of cardboard.

Q Do you have the flat piece of cardboard which

1           you gave Mr. Gonsalves at that time?

2           A       I was unable to find the exact cardboard I  
3           gave him, but I reconstructed what I feel is an honest  
4           version of what I gave him.  
5

6           MR. BUMGARDNER: I ask the clerk to mark for  
7           identification as Plaintiff's Exhibit 24 the piece of  
8           cardboard just produced by Mr. Kramer from his pocket.

9           (Plaintiff's Exhibit 24 marked for

10          identification.)

11          Q       I show you, Mr. Kramer, Exhibit 24 for  
12          identification and ask you when you prepared or did you  
13          prepare or manufacture Exhibit 24.

14          A       Yes, I prepared it last night.

15          Q       So this is not something that was in existence  
16          at the time of this conversation with Mr. Gonsalves, is  
17          that correct?

18          A       It's something similar to this, almost identical,  
19          I would say.

20          Q       I notice that one side of this piece of  
21          cardboard has markings of one sort or another on it, is  
22          that correct?

23          A       That's correct.

24          Q       Could you explain what those markings are?

25          A       That's correct. When I came to George to ask

1 him to do something for me, to make this layout, I showed  
2 him this and he put his piece of paper, after some  
3 conversation, on the drafting board and he picked up certain  
4 lines to be able to make the duplication of what exists on  
5 this paper. He picked up the 30 degree line and the 65 degree  
6 line and a center line. I called to his attention that two  
7 lines are parallel and I wanted those two lines parallel.  
8

9 Q Can you explain what these markings on  
10 Exhibit 24 have to do with the statement you just made, if  
11 anything?

12 A In order to make this drawing that exists in  
13 front of me now he had to have something to be able to get  
14 measurements from. So he took them from the cardboard I  
15 gave him and the angles I gave him. Otherwise he could not  
16 have made this drawing.

17 Q What angles did you give him?

18 A I gave him the 30 degree angle, 65 degree angle,  
19 the two parallel lines, I showed him where I wanted  
20 reinforcing ribs and I showed him where I wanted a tab, and  
21 I told him that I wanted the outside of the template  
22 to be considered the outside of the steel, and that's what  
23 he did.  
24

25 Q How did you give him that information?

A By speaking to him and giving him the cardboard.



1  
2 Q Is that information in some way depicted on  
3 the cardboard?

4 A That's correct.

5 Q That is Exhibit 24?

6 A That's correct.

7 Q For example, does Exhibit 24 show the location  
8 of the reinforcing ribs?

9 A It does, approximately.

10 Q Where?

11 A It shows them to be slightly lower than the  
12 upper part of the cardboard when the wings are in the  
13 up position and it shows one slightly higher than the  
14 bottom of the cardboard and it shows one running down the  
15 wing of the cardboard.

16 Q Are those reinforcing ribs depicted by lines?

17 A They are.

18 Q Are those lines identified in any way?

19 A They are, with an R.

20 Q Are there any angles shown on Exhibit 24?

21 A There is.

22 Q Which angles?

23 A The 30 degree angle and the 65 degree angle.

24 Q Is there some indication on Exhibit 24 that  
25 any particular lines are to be parallel?

1 A It is. It's indicated which two lines are  
2 parallel.  
3

4 Q How is that indicated?

5 A It shows an arrow pointing to one line and an  
6 arrow pointing to the other and that arrow line is  
7 bisected by two diagonal lines, indicating parallelism.

8 Q Is there an indication on the cardboard,  
9 Exhibit 24, of any dimples for any useful purpose?

10 A Rig't. On the upper end of the wings a  
11 little rectangular drawn square with the letter D designating  
12 to it, the dimple.

13 Q Is there any indication on Exhibit 24 as to  
14 where the edge of the stock should be?

15 A There is. There is arrows pointing to the  
16 edges with the writings, "Edge of stock."

17 Q Were substantially these same indications  
18 on the piece of cardboard which you gave Mr. Gonsalves  
19 at the time that you had the conversation which led to  
20 the preparation of Exhibit K Prime?

21 A That's correct.

22 Q Did Mr. Gonsalves ever give your piece of  
23 cardboard back to you?

24 A No, he did not, he kept it, because I told him  
25 I would be giving him more information as the program moves



1 along, and I think there is another print that he made  
2 for me different than this print.  
3

4 MR. BUMGARDNER: Your Honor, I will offer in  
5 evidence as illustrative only, as described by the  
6 witness, Plaintiff's Exhibit 24 for identification.  
7

8 THE COURT: Do you have any objection,  
9 Mr. Berger?  
10

11 MR. BERGER: I have no objection, your Honor.

12 (Plaintiff's Exhibit 24 received in

13 evidence.)  
14

15 Q What precisely did you ask Mr. Gonsalves  
16 to do in the course of this conversation?  
17

18 A I asked him to make me a temporary die layout.  
19 I wanted to see how many stations I will need to make  
20 this particular part.  
21

22 Q Did you at any time ask him to do any other  
23 work in connection with getting ready to produce parts  
24 similar to Exhibit 4?  
25

A What was the question?

MR. BUMGARDNER: Would you read it, please?

(Question read.)

A I don't recall.

Q Did you ever ask him to design or participate  
in the design of a die for the manufacture of parts--

1 A Oh, yes, of course. That has nothing to do  
2 with the drawing though. That comes later. I told him  
3 that I would let him know when I want him to build a die  
4 and I told him to wait until I gave him instructions and  
5 then I gave him instructions to design the die to make the  
6 part.  
7

8 Q Was that at a later time?

9 A Much later time.

10 Q Can you recall what specific instructions you  
11 gave him to design the die?

12 A I told him how many holes I wanted, I told  
13 him where to put them, I told him where I want the ribs,  
14 I told him how this thing is to be bent.

15 Q At any time prior to the making of that die or  
16 to giving him information to design and ultimately make the  
17 die did you tell Mr. Gonsalves what the end use of the  
18 product which was to be made from the blank like the piece  
19 of cardboard, Exhibit 24--

20 A I never told him what the product was going to  
21 be used for when I showed him the piece of cardboard and  
22 I didn't even tell him what the product was going to be  
23 used for when he made the die. At a later date I told  
24 him what I was going to use it for because I started to do  
25 some more extensive testing.

Q Did you at any time related to those events which you just testified to show Mr. Gonsalves a competitor's product?

A I never showed Mr. Gonsalves a competitor's product. I never had a competitor's product.

Q Did you at any time at all related to those events ever make a demonstration for Mr. Gonsalves using a bracket and two pieces of tubing?

A After the die was built and the parts were made.

Q Only then?

A Only then.

Q What bracket was used in that demonstration?

A Similar to Exhibit 4.

\* \* \*



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

139a  
FILED  
U.S. DISTRICT COURT  
DEC 20 3 53 PM '73  
S.D. OF N.Y.

-----x  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

Plaintiff,

-against-

DURALITE COMPANY, INC.,

Defendant.

67 Civ. 2079

# 40140

-----x  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES,

Plaintiff,

-against-

G & A MACHINE WORKS, INC.,

Defendant.

OPINION AND ORDER

67 Civ. 2081

-----x  
APPEARANCES:

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By Peter L. Berger, Esq.

Of Counsel  
-----



KEVIN THOMAS DUFFY, D.J.

These are consolidated actions for infringement of U. S. Patent 3,310,268 issued on March 21, 1967, to plaintiff Hyman Kramer. At the trial the defendant Duralite Company, Inc. did not appear, permitting the attorney for G & A Machine Works, Inc. (hereinafter "G & A") to defend it and agreeing to be bound by the decision of this Court in the G & A case.

This opinion and order is to be considered as findings of fact and conclusions of law within the meaning of Rule 52(a) of the Federal Rules of Civil Procedure.

The patent in question here covers hinge brackets and generally describes the leg hinge brackets for aluminum cots and aluminum furniture. Of the five claims contained in the patent, claims 2 and 3 are urged as having been infringed by the defendants. The defendants have admitted making, using and selling leg hinge brackets which infringed claims 2 and 3 of the patent. The defendants have counter-claimed for a declaratory judgment that the patent is invalid and non-enforceable and seek damages and attorneys' fees by reason of their counterclaim.

The plaintiff Hyman Kramer has had some training in mechanical engineering, and in about 1959 he started selling machinery and hardware to makers of aluminum

furniture. He claims to be the sole inventor of some 25 patents, most of which relate to the aluminum furniture field. The patent in question covers leg hinge brackets which are used to connect tubular members, generally made of aluminum, to make a folding cot.

Prior to the issuance of the patent, there were many leg hinge brackets used for this purpose, including some fabricated by the defendant G & A and used on products sold by the defendant Duralite Company, Inc. All of such leg hinge brackets consist of a butterfly or "V" shaped metal piece with holes spaced in such a way that when the "V" is bent inward rivets can be placed through the holes and tubular members thus pivotally connecting the tubular members to form the folding part of the aluminum furniture.

The alleged invention "improves" on the prior art by "nesting" the brackets and thus minimizing the amount of scrap involved in the sheet metal stamping process. The bracket covered by the patent is made so that the bottom area of one bracket blank matches (to a great extent) the top area of the next succeeding bracket blank.

Both the prior leg hinge brackets and those conforming to the claims of the patent work in an almost identical manner. The law of patents has long held that an improvement over similar structures in the prior art is insufficient

to warrant the granting of a patent if there is an absence of invention. Application of Nelson, 198 F.2d 837 (C.C.P.A. 1952); WheelDEX Mfg. Co. v. Marzall, 92 F. Supp. 985 (D.D.C. 1950). Here it is well known that "nesting" to save scrap in a sheet metal stamping process is an old art and thus cannot be considered an "invention" to be covered by patent protection. On this basis alone I would hold the patent in question invalid and unenforceable.

But this case presents the once-in-a-lifetime situation wherein the defendant not only claims that there is no invention but argues that, if there is an invention, someone other than the patent owner invented it. Indeed, the defendant claims that the patented design was created by one George Gonsalves of the Erie Packaging Corp., a tool and die making and metal working shop located at one time in a building owned by the plaintiff. The plaintiff Kramer admitted knowing George Gonsalves and the other principals of Erie Packaging Corp. He also admitted having Erie Packaging fabricate parts for him to sell including the leg hinge brackets covered by the patent. In his direct testimony Kramer reiterated the claim that he was the sole inventor of the leg hinge bracket in much the same words as the oath he subscribed to in his application for the patent. I find that this testimony of the plaintiff was totally incredible and wholly false.



Other testimony revealed that apparently the plaintiff approached George Gonsalves of Erie Packaging Corp. and his fellow-principal Felice Dosso (both of whom testified) with a sample of a leg hinge bracket of the prior art and requested Gonsalves to design a "nesting" pattern of blanks to be made of a lighter gauge material with reinforcing ribs contained therein. After about a week Gonsalves, with the help of Dosso, completed a drawing which eventually became the basis of the patent. This happened with little or no help from the plaintiff, who, however, insisted on having the dies, made at Erie Packaging, contain the embossing "Pat. Pend." and who filed the application for the patent. These acts clearly did not alter the fact that the design was "invented" by Gonsalves, not the plaintiff.

In sum, I hold that the device did not rise to the level of an invention; that the patent was invalid and unenforceable; and that the plaintiff was not the creator of the design or device and lied when he said he was.

The sole question left is whether the defendant G & A is entitled to damages and attorney's fees. The record is silent on the issue of the amount of damage incurred by the defendant and for lack of proof of a measurable amount of damages that claim is denied. As to attorney's fees, I

6.

find that this is such an exceptional case that attorney's fees are warranted under the provisions of 35 U.S.C. § 285 (1970). I hereby direct the defendant's attorney to appear for a hearing before a magistrate of this court so that the amount of such fees may be properly determined.

SO ORDERED.

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U. S. D. J.

Dated: New York, New York  
December , 1973.





UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, : Civil Actions Nos.  
Plaintiff, :  
-v.- : 67 Civ. 2079  
DURALITE COMPANY, INC., :  
Defendant. :

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HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, : 67 Civ. 2081  
Plaintiff, :  
-v.- :  
G & A MACHINE WORKS, INC., :  
Defendant. :  
Before:  
HON. KEVIN T. DUFFY  
District Judge  
----- -x

PLAINTIFF'S MOTION TO AMEND  
AND SUPPLEMENT FINDINGS OF  
FACT AND CONCLUSIONS OF LAW

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Of Counsel:  
STEVEN H. BAZERMAN  
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Dated: March 22, 1974

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

HYMAN KRAMER, d/b/a HY  
KRAMER ENTERPRISES, Civil Actions Nos.

Plaintiff,

-v.-

DURALITE COMPANY, INC.,

Defendant.

67 Civ. 2079

HYMAN KRAMER, d/b/a HY

KRAMER ENTERPRISES,

Plaintiff,

-v.-

G. & A MACHINE WORKS, INC.,

Defendant.

67 Civ. 2081

Before:

HON. KEVIN T. DUFFY  
District Judge

PLAINTIFF'S MOTION TO AMEND  
AND SUPPLEMENT FINDINGS OF  
FACT AND CONCLUSIONS OF LAW

Plaintiff respectfully moves this Court to amend and supplement its findings of fact and conclusions of law in its Opinion and Order heretofore filed in the following particulars:

I. From the first line of the paragraph beginning in the middle of page 4 of the Opinion, delete the expression: "once-in-a-lifetime."

II. Delete the last sentence on page 4 of the Opinion.

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III. Delete the second paragraph on page 5 of the Opinion.

IV. Amend the sentence bridging pages 5 and 6 of the Opinion to read:

"As to attorney's fees, I find that this is not such an exceptional case that the attorney's fees are warranted under the provisions of 35 U.S.C. § 285."

V. Delete the final sentence of the Opinion.

VI. Make the following additional findings of fact:

(A) Gonsalves' testimony established that Kramer employed him as Kramer's agent to reduce the alleged invention to practice and that Kramer's instructions to him to this end included:

1. direction to save material by "making the bracket out of the least amount of material" and to use "a thinner gauge" (Tr. 267,284);
2. direction to preserve the critical function of the bracket by selecting the right angle for the leg portions of the bracket (Tr. 271, 286);
3. direction to "interlock" [nest] the blanks so "that it should not have any scrap" (Tr. 272);
4. direction as to number and location of mounting holes (Tr. 275,276);
5. direction as to size of holes (Tr. 280);
6. direction to provide the locking depressions in the bracket (Tr. 281);
7. suggestion that the product be altered to make it more possible to nest it (Tr. 284);



8. a request for reinforcing ribs (Tr. 285); and
9. "much more" (Tr. 271).

(B) Having been thus completely instructed as to Kramer's conception, Gonsalves was faced only with a routine design layout of the blank and strip and the resultant design of the die to make the bracket. As Gonsalves realized from Kramer's instructions, "the location of the hinging holes as compared to the saddle has to remain" (Tr. 283,287), the "bottom of the blank has to match the top of the blank" (Id.); and that, as a logical result, "the bottom end is the only part that could be changed to any degree" (Tr. 287). No calculations were necessary for Gonsalves' preliminary layout (Tr. 297).

(C) Moreover, Gonsalves testified as to Kramer's participation in these routine design efforts:

1. that "We might have sat down together and said, 'Let's see how we could do it'" (Tr. 269);
2. that it was customary to have such discussions (Tr. 270);
3. that he specifically recalled there being such a discussion in this instance (Tr. 270); and
4. that provision of the saddle in the product design was asked for by Kramer (Tr. 282-283).

(D) Gonsalves also testified that his resultant drawing was shown to Kramer "for his approval as to the design of the part" (Tr. 266).

(E) Gonsalves has testified that had he known at the time that he was manufacturing brackets with "patent pending" on them about the patent laws he would have taken some action with respect to Kramer's application (Tr. 310). But he also testified that he had retained a patent attorney and knew something about the patent laws at that time (Tr. 314-315).

VII. Make the following additional conclusions of law:

- (A) Kramer alone conceived the essential features of the alleged invention.
- (B) Gonsalves' assistance to Kramer in reducing to practice Kramer's conception did not rise to the level of an inventive contribution.
- (C) If there is an invention embodied in the claims in suit, Kramer is the sole inventor thereof.
- (D) The claims in suit are valid and enforceable.

VIII. Make such additional or modified findings of fact and conclusions of law as to this Court seem warranted in view of the arguments contained in the memorandum in support of this motion and the trial record.

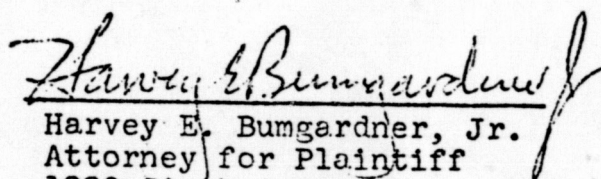
The grounds of this motion are stated in the memorandum submitted herewith.

Plaintiff respectfully requests that the Court entertain a brief oral argument of the points of patent law inherently raised by this motion.

Plaintiff respectfully prays also for such other and further relief as to this Court may seem just and appropriate under the circumstances of this motion and the proceedings heretofore had herein.

Respectfully submitted,

March 22, 1974

  
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Of Counsel:  
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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, :  
Plaintiff, : Civil Actions Nos.  
-v.- : 67 Civ. 2079  
DURALITE COMPANY, INC., :  
Defendant. :

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HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, : 67 Civ. 2081  
Plaintiff, :  
-v.- : Before:  
G & A MACHINE WORKS, INC., : HON. KEVIN T. DUFFY  
Defendant. : District Judge

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MEMORANDUM IN SUPPORT OF  
PLAINTIFF'S MOTION TO AMEND  
AND SUPPLEMENT FINDINGS OF  
FACT AND CONCLUSIONS OF LAW

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STEVEN H. BAZERMAN,  
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Dated: March 22, 1974

## INTRODUCTORY STATEMENT

In support of his motion, pursuant to Rule 52(b), Federal Rules of Civil Procedure, the plaintiff herein ("Kramer" hereinafter) respectfully urges this Court to amend and supplement its findings of fact and conclusions of law as stated in its Opinion and Order herein as specified in the motion and in such additional or other respects as may seem indicated to the Court by reason of the arguments contained in this Memorandum. It is respectfully submitted that such amendment and supplementation is necessary because this Court:

1. has apparently misapprehended the strict standard of "exceptional" circumstances imposed by the Court of Appeals for the Second Circuit as justifying an award of attorney fees in patent cases to a prevailing party;
2. is apparently unaware of the frequency and complexity of inventorship issues in patent litigation;
3. has apparently not understood the concept of inventorship under the Patent Laws of the United States;
4. apparently applied the wrong standard of proof in charging Kramer with perjury; and,
5. because of all of the foregoing, may have inadvertently allowed irrelevant and unestablished considerations to influence its decision as to the obviousness of the patented invention.

IN THIS CIRCUIT, ONLY THE MOST  
DELIBERATE AND WILLFUL FRAUDULENT  
CONDUCT WILL JUSTIFY AN AWARD OF  
ATTORNEYS' FEES AGAINST THE PATENTEE

In this Circuit, it is established law that only the most extreme deliberate and willful fraudulent conduct towards the Patent Office by the patentee will support an award of attorneys' fees under Section 285 of the Patent Laws, Title 35, U.S.C. In a recent leading decision on this point, Indiana General Corp. v. Krystinel Corp., 421 F. 2d 1023 (2nd Cir. 1970) cert. denied, 398 U.S. 928 (1970), a panel headed by Judge Medina fully supported the findings of the trial court (Tenney, J.) to the effect that the patent owners' conduct before the Patent Office was "less than candid" (Id., at 1033,1034). The Court found that, had the Patent Office received a full disclosure of the facts, "the proceedings might have ended abruptly in final rejection of the application." (Ibid). The patentee's conduct before the Patent Office was characterized as "furtiveness" (Id. at 1034). Never-the-less, apparently finding that the evidence failed to show "the willful intent to deceive" (scienter) (Id. at 1033), the Court of Appeals found that the patent owner might have had "a bona fide belief in the patent's validity" (Id. at 1034) and denied attorney's fees.

This Court's decision is in sharp contrast to that of the Court Of Appeals in Krystinel, supra. Where, it is respectfully asked, has the record established that Kramer knowingly lied when he stated to the Patent Office and to this



Court that he was the "sole inventor" of the patented invention? Absent the establishment of such scienter by clear and convincing proof, counsel fees, in view of Krystinel, are not to be awarded. As will be shown hereinafter, "sole inventorship" is not a fact, but is, rather, a legal conclusion. Moreover, in accordance with the law of inventorship and not inconsistently with the stated factual findings of this Court as to what transpired between Kramer and Gonsalves, Kramer may well be the "sole inventor" of the patented bracket blank. He was and is, at the very least, entitled to "a bona fide belief" that he is.

The "attorney fee" standard of the Second Circuit Court of Appeals in Krystinel has been cited with approval by the Court of Appeals for the Tenth Circuit in Q-Panel Co. v. Newfield, 178 U.S.P.Q. 521,522 (10th Cir. 1973).

"The statute contemplates such misconduct upon the part of the losing party as to constitute fraud on the Patent Office or so unfair and reckless as to make it unconscionable for the prevailing party to sustain the expense of counsel."

Moreover, this District Court has applied a similarly stringent standard of alleged misconduct in several recent cases. See Delamere Co., Inc. v. Taylor-Bell Co. Inc., 148 U.S.P.Q. 368,375 (S.D.N.Y. 1966) (Bonsal, J.); Bussemer v. Artwire Creations, Inc., 231 F. Supp. 798,805 (S.D.N.Y. 1964) (Weinfeld, J.); Formal Fashions, Inc., v. Braiman Bows, Inc., U.S.P.Q. 347,352 (S.D.N.Y. 1966) (McLean, J.).

INVENTORSHIP IS A COMMON  
ISSUE AT PATENT CASES

In finding (at p. 4 of its opinion) that:

"...this case presents the once-in-a-lifetime situation wherein the defendant... argues that, if there is an invention, some one other than the patent owner invented it" (Emphasis supplied.),

this Court apparently displays an unawareness that "inventorship" issues are extremely common in patent cases and are often the central issue to be litigated. The undersigned represents to this Court that he would scarcely ever (prior to complete discovery) consider answering any complaint for patent infringement without including, as a matter of affirmative defense, an allegation to the effect that the patentee "is not the original and first inventor" of the subject matter of the patent in suit.

The best known comprehensive treatise on patents, Walker On Patents (Deller's Edition), Baker, Voornis and Company, 1937, \* lists as conventional defenses in patent infringement actions, the following:

§ 667. Eighth Defense.

That the patentee surreptitiously or unjustly obtained the patent for that

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\* An updated version of this treatise, "Deller's Walker On Patents" (Second Edition) is in the process of being published, but the volume on patent infringement suits has not yet been released.



which was in fact the invention of another, who was using reasonable diligence in adapting and perfecting the same.

\* \* \*

§ 668. Ninth and Tenth Defenses.

9. That the invention was made by another jointly with the sole applicant.

10. That it was made by one only of two or more joint applicants.

Misjoinder of inventor is such a common problem in the law of patents that, when the Patent Laws were revised in 1952, a special section, Title 35 U.S.C. § 256, was added to deal with the problem. This section provides that misjoinder or nonjoinder of joint inventors shall not invalidate a patent, if such error can be corrected by the Court - as provided in the section.

Treatises on patent law conventionally contain sections on "joint and sole inventions" and the possibility of confusion on this issue is freely acknowledged.

"It may be difficult under certain circumstances to determine the actual inventors of an invention resulting from collective efforts; ...",  
Patenting The Invention, by V. Alexander Scher, Mathew Bender & Co.,  
1948, p. 22.

"If....C.D. notices the need of a new machine to perform a particular function and calls the attention of E.F. to the matter, and a successful invention is, after many conversations between the two, embodied in a working

machine constructed by the hands of both, then it may be that C.D. is the sole inventor, or it may be that E.F. is the sole inventor, or, it may be that both are joint inventors of the machine they produce. "Deller's Walker On Patents (Second Edition), Vol. 1, 1964, p. 182.

In view of the foregoing, the allegation by the defendant herein that Gonsalves rather than Kramer was the sole inventor of the claimed subject matter can hardly be considered to be a "once-in-a-lifetime" plea for such a conclusion of law.

THE INVENTOR IS THE ONE  
WHO CONCEIVES THE INVENTION

Patentable invention begins with conception of the invention. The inventor mentally conceives a new and useful objective or improvement and, generally, the means of achieving the objective. Deller's (2d Ed.), Vol. I, supra, at pp. 177, 191. Conception is complete "when the inventive idea is crystallized in all of its essential attributes and becomes so clearly defined in the mind of the inventor as to be capable of being converted to reality and reduced to practice by the inventor or by one skilled in the art." (Emphasis supplied.) Deller's, supra, at p. 192. At the moment of conception, the invention is full blown as it were.

Thereafter, unless the invention is abandoned by the inventor (conceiver), it is "reduced to practice" either

actually by the making of an operable device or a complete drawing or constructively by the filing of a patent application. Deller's, supra, at pp. 201-202, 210. The reduction to practice, which completes the invention may be accomplished by the inventor himself or by his agent. Deller's, supra, at p. 203.

"To constitute a man an inventor, it is not necessary for him to have skill enough to embody his invention in a working machine, or in a model, or even in a drawing. If a man furnishes all the ideas needed to produce the invention aimed at, he may avail himself of the mechanical skill of others, to practically embody or represent his contrivance, and still be the sole inventor thereof."  
Deller's, supra, at p. 187.

Nor will the suggestions or improvements of the inventor's agent in the reduction to practice defeat sole inventorship by the conceiver. In its classic statement of law on this subject (Agawam Woolen Co. v. Jordan, 74 U.S. 583, 602 (1869) ), the Supreme Court stated that:

"...where a person has discovered an improved principle in a machine, manufacture, or composition of matter, and employs other persons to assist him in carrying out that principle, and they, in the course of experiments arising from that employment, make valuable discoveries ancillary to the plan and preconceived design of the employer, such suggested improvements are in general to be regarded as the property of the party who discovered the original improved principle, and may be embodied in his patent as a part of his invention."



In a more recent case, Minerals Separation, Ltd. v. Hyde, 242 U.S. 261,270 (1961), the Supreme Court reasserted the Agawam doctrine against a somewhat different factual situation.

"The claim that the patentees of the patent in suit are not the original discoverers of the process patented because an employee of theirs happened to make the analyses and observations which resulted immediately in the discovery, cannot be allowed. The record shows very clearly that the patentees planned the experiments in progress when the discovery was made; that they directed the investigations day by day, and that they interpreted the results. Agawam Company v. Jordan, 7 Wall. 583-603, rules this claim against the defendant."

KRAMER WAS THE SOLE  
INVENTOR OF THE CLAIMED  
SUBJECT MATTER

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The fact that the patent in suit was issued in Kramer's name as sole inventor "is, in itself, prima facie proof of that fact. And the burden is upon him who makes an assertion contrary to the presumption to prove it" (Pointer v. Six Wheel Corp., 177 F. 2d 153,157 (9th Cir. 1949) ). The same decision (*Ibid*) establishes the standard of proof required to establish joint inventorship in the face of a sole inventor patent. The standard of proof required is "clear and convincing proof" (*Id.* at 157, Deller's, *supra*, at p. 182). The Court of Appeals for this Circuit has viewed the defense of lack of invention by the named inventor to be a technical one to be "regarded with disfavor" by the Court. Klein v. American Casting & Mfg. Corp., 87 F. 2d 291,294 (2nd Cir. 1937).

Although the trial testimony herein reveals some controversy between the witnesses (Kramer, Gonsalves and Dosso) as to the details of events which happened many years earlier, the main thrust of the testimony as to the facts surrounding the inventive process is clear. Kramer, even according to Gonsalves, conceived the new and useful objective of making a far cheaper hinge bracket for folding cots. The means for achieving this objective was conceived by Kramer to be savings in steel and plating costs. To this end Kramer conceived that the hinge bracket blanks should be "nested" in the full width of the steel strip from which they are stamped and that a lighter gauge of material could be used if reinforcing ribs were provided in the product.

In its opinion, herein, (at p.3), this Court characterized the "alleged invention" herein to be "nesting" of the bracket blanks, that is, matching (to a great extent) the top and bottom edges of successive blanks in the stamping strip. Having done so, this Court (at p. 5 of its opinion) found specifically that Kramer requested that Gonsalves "nest" the blanks as well as provide for reinforcing ribs and a lighter gauge material. Thus, based on this Court's own findings as stated in its opinion, Kramer alone conceived what the Court regards as the "alleged invention."

Having conceived the invention, Kramer employed Gonsalves as his agent to assist in its reduction to practice. In view of this Court's comments as to Kramer's credibility, the facts surrounding the reduction to practice will be reviewed on the basis of Gonsalves' testimony alone. Approaching the matter in this fashion, Gonsalves has testified, relative to Kramer's instructions to him, that they included:



1. direction to save material by "making the bracket out of the least amount of material" and to use "a thinner gauge" (Tr. 267,284);
2. direction to preserve the critical function of the bracket by selecting the right angle for the leg portions of the bracket (Tr. 271,286);
3. direction to "interlock" [nest] the blanks so "that it should not have any scrap" (Tr. 272);
4. direction as to number and location of mounting holes (Tr. 275-276);
5. direction as to size of holes (Tr. 280);
6. direction to provide the locking depressions in the bracket (Tr. 281);
7. suggestion that the product be altered to make it more possible to nest it (Tr. 284);
8. a request for reinforcing ribs (Tr. 285); and
9. "much more" (Tr. 271).

Having been thus completely instructed as to Kramer's conception, Gonsalves was faced only with a routine design layout of the blank and strip and the resultant design of the die to make the bracket. As Gonsalves realized from Kramer's instructions, "the location of the hinging holes as compared to the saddle has to remain" (Tr. 286-287), the "bottom of the blank has to match the top of the blank" (Id.); and that, as a logical result, "the bottom end is the only part that could be changed to any degree" (Tr. 287). Such routine design considerations can hardly be equated to invention over Kramer's detailed instructions. No calculations were necessary

for Gonsalves's preliminary layout (Tr. 297).

Moreover, Gonsalves testified as to Kramer's participation in these routine design efforts. He testified:

1. that "We might have sat down together and said, 'Let's see how we could do it'" (Tr. 269);
2. that it was customary to have such discussions (Tr. 270);
3. that he specifically recalled there being such a discussion in this instance (Tr. 270); and
4. that provision of the saddle in the product design was asked for by Kramer (Tr. 282-283).

Gonsalves also testified that his resultant drawing was shown to Kramer "for his approval as to the design of the part" (Tr. 266).

Thus, Gonsalves' own testimony with respect to his and Kramer's participation in the reduction to practice of the invention is on all fours with the views of the Supreme Court as expressed in Agawam, supra, and Minerals, supra. Moreover, the presumption that Kramer was the sole inventor is enhanced by Gonsalves' inaction in the face of his knowledge of Kramer's claim to sole inventorship in his patent application. Frederick Iron & Steel Co. v. Sanford Riley Stoker Co., 287 F. 2d 495, 499 (4th Cir. 1923). Gonsalves has testified that had he known at the time that he was manufacturing brackets with "patent pending" on them about the patent laws he would have taken some action with respect to Kramer's application (Tr. 310). But he also testified that he had retained a patent attorney and knew something about the patent laws at that time (Tr. 314-315).

THIS COURT'S APPARENT  
CONCLUSION THAT KRAMER  
KNOWINGLY LIED WHEN HE  
CLAIMED TO BE THE SOLE  
INVENTOR IS UNWARRANTED

In view of the aforestated facts testified by Gonsalves, it is unreasonable and contrary to the evidence for this Court to conclude that Kramer "lied" or knowingly and falsely testified when he claimed to be the sole inventor or creator of the patented hinge bracket blank. As has been shown on Gonsalves' testimony alone, Kramer is the sole inventor of what the Court has characterized as the "alleged invention" herein. And, even if this Court should still reject Kramer's claim to sole inventorship, it can hardly fail to recognize that Kramer was, at the very least, a joint inventor in an important way. Without Kramer, the hinge bracket blank design would never have come into being at all. Kramer's claim to sole inventorship is to a legal conclusion based upon diverse facts rather than a statement of a discrete objective fact. A statement by an affiant of what amounts to no more than an erroneous conclusion of law will not sustain a charge of perjury. Barr Rubber Product Co. v. Sun Rubber Co., 425 F.2d 1114,1125 (2nd Cir. 1970).

Moreover, Kramer, like any other patentee, is entitled to a reasonable belief in the validity of his own patent. Kaplan v. Helenhart Novelty Corp., 182 F.2d 311,314 (2nd Cir. 1950). This is true with respect to the often "hairy" issue of sole or joint inventorship as well as with respect to obviousness Delamere Co., Inc. v. Taylor-Bell Co., Inc., 148 U.S.P.Q. 368,375 (S.D.N.Y. 1966). Kramer's claim of sole inventorship is not so wholly devoid of substance as to constitute perjury or to justify an award of attorney's fees to defendant.



THE COURT APPARENTLY APPLIED  
THE WRONG STANDARD OF PROOF  
IN DECIDING THE FRAUD CHARGE

In a recent analogous case, Congoleum Industries, Inc. v. Armstrong Cork Co., 339 F. Supp. 1036, 1060 (E.D.Pa. 1972), where a charge of fraud on the Patent Office was founded upon an oath of inventorship, the court held that

"Proof of fraud on the Patent Office must be clear, unequivocal and convincing, and a mere preponderance of evidence which leaves the issue in doubt is a wholly insufficient basis for a finding of fraud. Baldwin-Lima-Hamilton Corp. v. Tatnall Meas. Sys. Co., 169 F. Supp. 1 (E.D.Pa.1958), aff'd. 268 F.2d 395 (3d Cir.), cert. denied, 361 U.S. 894, 80 S.Ct.190, 4 L.Ed.2d 151 (1959). Defendant has fallen far short of the exacting standard for proof of fraud. We find no merit in its position."

The Court of Appeals for the Second Circuit has held likewise that a charge of perjury must be established by "clear and convincing proof" Barr Rubber Products Co. v. Sun Rubber Co., 425 F.2d 1114,1120 (2nd Cir. 1970). This is "especially so when a finding that material evidence has been falsified permits the allowance of an adversary's attorney fees not otherwise recoverable." (Id. at 1120-1121). Moreover, the Court of Appeals was able to "assume from the lower court's silence that it applied [the] normal 'preponderance of the evidence' test." (Id. at 1120).

It is respectfully submitted that this Court, too, has erred in applying the "preponderance of the evidence" standard of proof to its charge of perjury against Kramer rather than the more stringent "clear and convincing proof" standard.

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THE CHARGE OF PERJURY  
IS NOT ESTABLISHED EVEN  
BY THE "PREPONDERANCE" TEST

If this Court will carefully consider the instructions given by Kramer to Gonsalves, Kramer's participation in the routine design activity of Gonsalves and Kramer's approval of Gonsalves' result, all established solely on the basis of Gonsalves' testimony as set forth supra, it will find that Kramer's conclusory testimony that he was the sole inventor of the improved bracket blank is not inconsistent with Gonsalves' fact testimony. Rather, there is only a war of conclusions based upon substantially the same material facts. Such an argument over a legal conclusion can hardly be the basis of a perjury charge.

The only noteworthy fact on which the respective testimonies of Gonsalves and Kramer clash is the question of what Kramer brought with him when he went to Gonsalves for assistance in the reduction to practice of the invention. Kramer says it was made of paper or cardboard, and Gonsalves says it was made of metal. But this disputed fact is immaterial in view of Gonsalves' own testimony as to Kramer's participation in the reduction to practice. Moreover, remembering that defendant, not Kramer, had the burden of proof, oral testimony alone as to long past events should not be accepted as conclusive (Deller's supra, at 197).

Further although this Court, by the language of its opinion, has seemed disposed not to accord Kramer much credibility as a witness, it is respectfully submitted that Gonsalves' credibility is also rendered doubtful at best by his silent



cooperation for years in stamping "patent pending" on the Kramer hinge brackets. When first asked about this (Tr. 221), he explained his apathy by stating that he had no knowledge of the patent laws at that time. Later, upon cross examination (Tr. 314-315) and when confronted with one of his own patents, Gonsalves admitted that he had at that time retained a patent attorney and had some knowledge of the patent laws.

THIS COURT SHOULD  
RECONSIDER ITS  
DECISION ON THE  
INVENTION ISSUE

In view of this Court's erroneous adjudication of the inventorship fraud issue herein and the severity of the penalty erroneously imposed upon Kramer, plaintiff, following the decision in the analogous Barr Rubber case, supra, at page 1119, respectfully requests that the Court reconsider its decision that the claims in suit are invalid for want of invention. Plaintiff is concerned that the Court's finding of perjury as to inventorship may have disposed the Court not to consider at length the arguments as to § 103 validity advanced at length in plaintiff's main post-trial brief.

Specifically, plaintiff finds no indication in this Court's opinion that the Court has considered such factors as the low level of skill prevailing in the art of making folding furniture parts, the commercial success of the invention, the slavish copying of the invention by defendant and the fact that the prior art asserted by defendant was all before the Patent Office. Plaintiff submits that, in the light of these

considerations, it was unobvious, hence inventive, to combine the nesting principle from the plow art with the hinge bracket art.

CONCLUSION

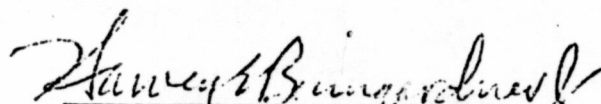
This Court's Opinion and Order herein should be amended and supplemented with respect to the findings of fact and conclusions of law contained therein in accordance with the specific requests for amended and supplemental findings and conclusions set forth in plaintiff's motion annexed hereto and in such other respects as to this Court seem proper in view of the arguments contained herein.

This Court's decision should be reversed insofar as it:

1. awards attorney's fees to defendant;
2. holds that Kramer lied when he said he was the sole inventor;
3. holds that Kramer was not the sole inventor; and
4. holds the claims in suit to be invalid and unenforceable.

Respectfully submitted,

March 22, 1974



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Attorney for Plaintiff  
1230 Sixth Avenue  
New York, New York 10020

Of Counsel:  
STEVEN H. BAZERMAN  
Arthur, Dry & Kalish

Index No.

67 Civ. 2079

67 Civ. 2081

HYMAN KRAMER, d/b/a HY

KRAMER ENTERPRISES,

Plaintiff,

-v.-

DURALITE COMPANY, INC.,

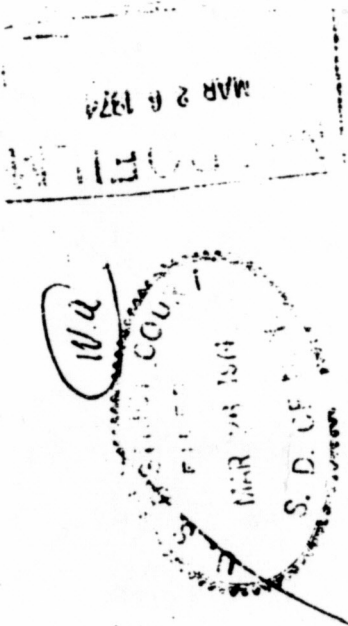
AND ANOTHER SUIT

NOTICE OF MOTION  
UNDER RULE 52(b)  
AND SUPPORTING MEMORANDUM

HARVEY E. BUMGARDNER, JR.  
ARTHUR, DRY & KALISH

Attorneys for Plaintiff

1230 Avenue of the Americas  
Rockefeller Center  
New York, N. Y. 10020  
489-4510



Motion denied

Respectfully,  
Harvey E. Bumgardner, Jr.

March 26, 1974  
New York, New York

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2 THE MAGISTRATE: This will be off the  
3 record.

4 (Discussion off the record.)

5 P E T E R L . B E R G E R ,

6 370 Lexington Avenue,

7 New York, N. Y., appearing as a witness, being first  
8 duly sworn, testified as follows:

9 THE MAGISTRATE: Let me suggest, Mr. Berger,  
10 that since you are appearing here both as counsel and  
11 as a witness, that you just tell us in narrative  
12 fashion what the legal expenses were as to which  
13 Judge Duffy, in his opinion December 20, 1973,  
14 authorized payment of attorney's fees under the  
15 provisions of 35 U.S.C. 285.

16 MR. BERGER: Okay.

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17 DIRECT EXAMINATION

18 THE WITNESS: The client, G. & A. Machine  
19 Works, or Mr. Adler, who is its president, came to  
20 me from prior counsel, a Mr. Lilling of Lilling &  
21 Segal in 1970, prior counsel in this case, and he is  
22 a man who was born and raised most of his life in a  
23 foreign country; he is a man for whom English was not  
24 the easiest thing in the world in terms of communi-  
25 cating.



2 He and I discussed the matter of this  
3 case and my taking over the action, and what we  
4 agreed to at that time was that Mr. Adler would give  
5 me a retainer of a thousand dollars and he would  
6 cover all out-of-pocket expenses; I would retain  
7 time records from then on until the commencement of  
8 the action -- well, rather, the termination, when-  
9 ever that would be.

10 The agreement was that I would maintain a  
11 billing rate during this interim period. If  
12 unsuccessful I was going to bill him, if I was  
13 unsuccessful, losing the case, I was going to bill  
14 him at \$25 an hour. If successful at the termina-  
15 tion of the litigation, at the termination of the  
16 trial, I was to bill him at what would have been  
17 a reasonable rate at that time.

18 So, during the time from 1973 to 1973 --

19 THE MAGISTRATE: You don't mean that, do  
20 you?

21 THE WITNESS: I do.

22 THE MAGISTRATE: You said 1973 to 1973.

23 THE WITNESS: I'm sorry, from 1970 to  
24 1973 from time to time as expenses would come up I  
25 would contact Mr. Adler and say the Court Reporter was



2 such and such, and this is the way this thing  
3 proceeded until the termination of the trial.

4           Until July 9, 1973 I went through my  
5 records, and although we had no rendering of an  
6 opinion, I felt quite clear that the patent was at  
7 least obviously invalid, and so I rendered Mr.  
8 Adler a bill on July 9, 1973, at which time I billed  
9 him at the reasonable rate of \$75 an hour for  
10 non-trial time, a \$100 an hour for trial time; and  
11 then that bill was submitted then in 1973; and then  
12 I billed him twice again at the termination of my  
13 trial work.

14           I have given copies to your Honor; let me  
15 see if I have the other copy.

16           And there was one, July 9th, and there were  
17 a couple more that were billed.

18           THE MAGISTRATE:   December 10 and April 2nd?

19           THE WITNESS:   Yes, December 10, which was  
20 the briefing work, and then after the decision was  
21 rendered, after Mr. Bumgardner became aware of it,  
22 there was a filing of a Rule 52B motion by plaintiff  
23 in the matter, and so I billed him in April of 1974  
24 for the work done from the December bill to the April  
25 bill.

B

1 slr Berger 173a 5  
2 THE MAGISTRATE: Did the rates stay the  
3 same?  
4 THE WITNESS: Yes, the rates were the  
5 same. Trial time was \$100 an hour; non-trial time  
6 was \$75.

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THE MAGISTRATE: Let me suggest, with

23 respect to the legal fees, you have explained how

24 you calculated your parti-hourly rates; you have

25 explained your quasi contingent billing depending

1 slr Berger 175a 8  
2 on results.

3 THE WITNESS: Yes.

4 THE MAGISTRATE: Now you say you submitted  
5 three bills to your client which itemized services  
6 rendered and the dates on which they were rendered.

7 Let me suggest to you that you mark those  
8 in evidence and show them to your adversary.

9 Show them to your adversary first, and then  
10 mark them in evidence.

11 THE WITNESS: Your Honor, I provided my  
12 adversary with copies of these some three weeks ago  
13 in advance of this hearing.

14 THE MAGISTRATE: Check your dates on them.  
15 July 9th, 1973?

16 THE WITNESS: Yes; and December 10, 1973  
17 and April 2nd, 1974.

18 THE MAGISTRATE: We will mark those as  
19 Defendant's Exhibits 1, 2 and 3 in chronological  
20 order, starting with the earliest.

21 (Marked Defendant's Exhibits 1, 2 and 3 in  
22 Evidence. (

23 (Discussion off the record.)

24 THE MAGISTRATE: Let us get back on the  
25 record.

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2 With respect to those three bills, which  
3 are Exhibits 1, 2 and 3, were these bills prepared  
4 from your office time records?

5 THE WITNESS: Yes, your Honor.

6 THE MAGISTRATE: And are your office time  
7 records kept in the regular course of your profession?

8 THE WITNESS: Yes.

9 THE MAGISTRATE: And do you swear to the  
10 truth and accuracy of the three exhibits?

11 THE WITNESS: Yes, your Honor.

12 THE MAGISTRATE: All right, let me suggest,  
13 then, that any further testimony concerning the con-  
14 tents is probably unnecessary, and cross-examination  
15 will be appropriate.

16 MR. BUMGARDNER: All right.

17 CROSS-EXAMINATION

18 BY MR. BUMGARDNER:

19 Q Now, Mr. Berger, you have testified to  
20 certain disbursements here in your direct testimony.

21 What is your recollection as to the use of  
22 the Kramer deposition or depositions at trial?

23 A I recall portions of one and perhaps both--  
24 when I say one and perhaps both, there were disburse-  
25 ments for only two transcripts prepared, those being

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2 for \$148.50 and \$119.90.

3 Q Is it your recollection that both transcripts  
4 were used at the trial or only one of them?

5 A I don't know. The record will have to  
6 indicate that. I know at least one, perhaps two,  
7 I'm not sure.

8 Q I just thought if your recollection and  
9 mine was the same I would not have to resort to the  
10 record.

11 Now, I am correct in understanding, am I  
12 not, that you had a contingent fee arrangement with  
13 Mr. Adler?

14 A Yes.

15 THE MAGISTRATE: I think you could call it  
16 a quasi contingency, because he was going to get at  
17 least \$25 an hour even if he lost.

18 MR. BUMGARDNER: I don't know whether it  
19 is apparent, your Honor, that he was going to get  
20 \$25 an hour. He was going to bill it, at least.  
21 That was his testimony.

22 THE WITNESS: No, I was going to get it.

23 BY MR. BUMGARDNER:

24 Q Were you actually paid a retainer of \$1,000?

25 A Yes -- I don't know if it was in one lump

1 slr Berger - cross 178a 11  
2 sum or if it was over a period of time, frankly.

3 Q But you were paid \$1,000 by Mr. Adler?

4 A That is my recollection.

5 Q You say that is your recollection?

6 A Yes.

7 Q Is there any doubt in your mind?

8 A I have not checked to make sure that I got  
9 \$1,000 over the first couple of years. I, frankly,  
10 don't recall how much we got initially when we first  
11 met; it may be a few hundred dollars, and over a  
12 period of time, every so often, I would get a couple  
13 of hundred dollars more.

14 Q But he paid you in installments, essentially,  
15 is that correct?

16 A Yes.

17 Q Now, did you bill Mr. Adler for the dis-  
18 bursements other than as they appear on the bills  
19 marked Defendant's Exhibits 1, 2 and 3?

20 A No. I would call him and say we have a  
21 billing for \$148,50, whatever it might be, and then  
22 he sent a check to cover the disbursement I would  
23 have to lay out.

24 Q How about that \$40? Has Mr. Lilling been  
25 paid for that, according to your understanding?

2 A Yes, Mr. Lilling indicated that all his  
3 bills were paid, to his recollection, so I would  
4 presume that that \$40 bill was included.

5 Q Is it your understanding from Mr. Lilling  
6 that he was paid \$550 for services too?

7 A Yes.

8 Q Now, did Mr. Adler reimburse you for your  
9 outlay of \$148.50 for a Court Reporter?

10 A Yes.

11 Q And did he similarly reimburse you for your  
12 outlay of \$119.90?

13 A Yes.

14 Q Has he yet reimbursed you for the cost of  
15 the trial transcript, \$518?

16 A Yes.

17 Q When did he do that, Mr. Berger? This  
18 year? Last year?

19 A The cost of the transcript?

20 Q I am talking about the trial transcript  
21 now.

22 A Last year -- well, it was shortly after  
23 the bill was rendered -- initially we had to pay  
24 half, I think, to get the transcript typed. At that  
25 time I got -- he forwarded some money to cover that,

2 and then at the time -- no, we had to pay the  
3 transcript cost before the transcript was made, in  
4 fact, so my recollection is that I got that money  
5 before I disbursed it or around the time I disbursed  
6 it to the Court Reporter.

7 Q Now, aside from this initial \$1,000 and  
8 the disbursements has Mr. Adler paid you anything?

9 A No.

10 Q Do you expect Mr. Adler to pay you anything?

11 A Well, yes. Mr. Adler is responsible for  
12 his bills, yes.

13 Q What is your understanding, Mr. Berger,  
14 assuming his Honor here awards you less than the  
15 full amount of this bill as attorney's fees, is it  
16 your understanding that Mr. Adler is going to pay the  
17 balance of these bills which you have rendered to  
18 him?

19 A I would expect he should, yes.

20 Q Or are you supposed to be content with  
21 what you would have been awarded as a reasonable  
22 attorney fee?

23 A I will ask Mr. Adler to pay the balance  
24 of the reasonable attorney's fee that have been  
25 billed here.

2 Q Suppose, for example, his Honor should award  
3 you only \$10,000 as a reasonable attorney's fee, do you  
4 actually have an expectation of being able to collect  
5 \$23,347.85 from Mr. Adler?

6 A I would try my best. I certainly would.

7 You know, I can't guarantee that if the  
8 judgment were entered on my behalf against my client,  
9 that the client would have assets sufficient to cover  
10 it; I can't guarantee that, but I would expect to be  
11 paid for the full amount of those bills as rendered.

12 Q Is it not a part of your understanding with  
13 Mr. Adler that you are supposed to collect your  
14 attorney's fee out of Mr. Kramer?

15 A No -- you mean -- would you rephrase that?

16 Q I will rephrase it: Is it not a part of  
17 your understanding with Mr. Adler that you are supposed  
18 to be content and paid in full by reason of whatever  
19 sum you collect as an attorney's fee from Mr. Kramer?

20 A No.

21 Q Do you have with you any correspondence  
22 reflecting this quasi contingent fee arrangement?

23 A No.

24 I could supply the Court with an affidavit,  
25 I would expect, from the client on this matter, but



2 Mr. Adler is not a man with whom I correspond at any  
3 great length, because he is a man who speaks, and he  
4 is not a man who responds or relates to writing --

5 Q Well, let me rephrase my question:

6 Is that correspondence or copies of corres-  
7 pondence --

8 A No, not relating --

9 MR. BUMGARDNER: Let me finish my question,  
10 Mr. Berger.

11 Q -- on the subject of this quasi contingent  
12 fee arrangement?

13 A No.

14 Q Now, you said that if successful your under-  
15 standing was that you were going to charge Mr. Adler  
16 a reasonable hourly rate; is that correct?

17 A Yes.

18 Q And those rates, I believe you stated, were  
19 \$75 per hour for non-trial time and \$100 per hour for  
20 actual trial time; is that correct?

21 A Yes.

22 Q How did you determine that those were  
23 reasonable rates?

24 A By speaking with other members of the Bar,  
25 the Patent Bar, in the City of New York; discussing

2 with them billing rates in this area; being aware of  
3 my own billing rates as well, and taking into account  
4 the fact that there was a quasi contingency arrange-  
5 ment here.

6 It is my understanding that the rates set  
7 forth in these bills are, in fact, reasonable.

8 It is also my understanding that my con-  
9 ventional billing rates are slightly under the average  
10 billing rates in the City of New York.

11 Additionally as well, in looking into the  
12 issue more deeply, there are several reported cases,  
13 or, at least one reported case that I am aware of in  
14 Delaware, the Chrome-Alloy case, in which the Court  
15 stated as of 1972 that reasonable rates for New York  
16 counsel was \$75 an hour, and that was two years ago,  
17 and that \$75 an hour I believe was up from the prior  
18 year's rate of \$60 or \$65 an hour that the Court had  
19 allowed.

20 So, in my opinion the rate of \$75 an hour  
21 for non-trial time is reasonable.

22 Q Did I understand you to say that the \$75  
23 an hour rate was founded, at least in part, on the  
24 fact that this was a contingent arrangement?

25 A Quasi, yes.

2 Q In other words, am I correct in under-  
3 standing that the \$75 an hour may be a little on the  
4 high side because if you are unsuccessful you were  
5 only going to charge \$25 an hour? Is that correct  
6 reasoning?

7 A I would not agree with the way you stated  
8 it. I would say the \$75 an hour rate is higher than  
9 my conventional hourly rate because of the contingency  
10 arrangement.

11 THE MAGISTRATE: What he is trying to ask  
12 you, if there had been no contingency arrangement, if  
13 you had a solvent client whom you knew could pay, and  
14 if you were setting your rate without regard to win or  
15 lose, what would you have charged an hour?

16 THE WITNESS: \$60 an hour for non-trial  
17 time and \$80 for trial time.

18 BY MR. BUMGARDNER:

19 Q Now Mr. Berger, what were your conventional  
20 billing rates?

21 A As I just stated them.

22 Q For how long had those been your billing  
23 rates?

24 A The rate of \$60 an hour has been in effect  
25 since approximately the beginning of 1973; late 1972

2 or around that time.

3 Q How about the \$80 an hour charge?

4 A That has correspondingly been carried.

5 Q What was your billing rate before the end  
6 of 1972 or the early part of 1973?

7 A It would have been \$50 an hour, and Court  
8 time would have been \$65 an hour, and that would go  
9 back to about 1971, the beginning of 1971 or so.

10 Q Prior to the beginning of 1971 what was  
11 your billing rate? In 1970, for example?

12 A In 1970 and 1969 the billing rate was \$40  
13 an hour, and I don't believe I had a separate hourly  
14 rate for trial time at that time.

15 THE MAGISTRATE: I don't think that would  
16 matter too much here because there is no trial time  
17 involved in 1970, is there?

18 THE WITNESS: No, there is no trial time.

19 BY MR. BUMGARDNER:

20 Q When were you admitted to the Bar?

21 A 1966.

22 Q Did you at one time work at Bell Labora-  
23 tories?

24 A I did.

25 Q What period of time did you work at Bell

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19

2 Laboratories?

3 A From 1966 to 1968.

4 Q What transpired in 1968? Did you go into  
5 practice for yourself?

6 A No, I joined a law firm in Bridgeport,  
7 Connecticut, the firm of Mattern, Ware & Davis, 855  
8 Main Street, if I recall.

9 Q How long did you work for Mattern, Ware &  
10 Davis?

11 A Less than half a year, after which I joined  
12 a financial consultant as a part of a team he was  
13 assembling for merger and acquisition purposes, and  
14 I was the patent counsel to that team, and the  
15 financial consultant was Richard E. Meyers Associates.

16 Q For what period of time were you associated  
17 with Richard E. Meyer Associates?

18 A From late -- from April of 1969 through  
19 towards the fall of 1969.

20 Q Now in the autumn of 1969 --

21 A Then I commenced my own practice.

22 Q -- you commenced your own practice?

23 A Yes.

24 Q And these bills which are marked Defendant's  
25 Exhibits 1, 2 and 3 relate to services rendered to



2 Mr. Adler during this period of time when you were  
3 in practice, is that correct?

4 A Yes.

5 Q This practice began in the autumn of 1969,  
6 is that correct?

7 A Yes.

8 Q How many patent infringement cases have you  
9 tried, Mr. Berger?

10 A This was the first.

11 Q So, in other words, when we talk about your  
12 trial time billing rate, there is no real precedent  
13 for it; this is the first time you have actually  
14 charged anybody or attempted to charge anybody for  
15 trial time; is that correct?

16 A No, I have been involved on environmental  
17 matters as well in the State Court of New Jersey, and  
18 I attended trial, prepared and attended trial,  
19 questioning witnesses and what-not in New Jersey.

20 Q This was not a patent infringement trial?

21 A No, not a patent trial.

22 Q When was that trial, Mr. Berger?

23 A There were a series of hearings from 1971  
24 through to -- they are ongoing. The most recent ones  
25 were approximately about six months ago, and there are

2 a series of courtroom appearances at which officials  
3 of the New Jersey Turnpike were witnesses on various  
4 matters.

5 Q What do you charge your client for your  
6 time spent at those hearings?

7 A That was a citizens' group, and it was  
8 charged at \$25 an hour, and, frankly, it was pro bono  
9 work.

10 Q When you say "frankly, it was pro bono  
11 work," do you mean to say that even though you charged  
12 \$25 an hour, you were not paid?

13 A The citizens long ago ran out of funds on  
14 the matter, and I continued to work on the matter,  
15 and I am continuing at present too.

16 Q So this is your only other trial experience  
17 aside from this case, is that correct?

18 A Of actually conducting the trial, yes. I  
19 was involved in a matter for a client in Missouri  
20 which was settled on the day of trial.

21 Q I just want to know about actual trial.

22 A Yes.

23 Q So, in other words, the only other trial  
24 experience besides this case that you have, you ac-  
25 tually did not get paid anything for, is that correct?

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Berger - cross 189a

22

2 A Substantially not.

3 Q In this case you want to be paid by Mr.  
4 Kramer \$100 an hour, is that correct?

5 A That is correct.

6 I also, Mr. Bumgardner --

7 Q I am examining, Mr. Berger. Let me finish,  
8 if I may. You can redirect yourself.

9 Do you know what hourly rate Mr. Lilling  
10 was charging for his services?

11 A No, I don't.

12 Q Now, during the course of your representation  
13 of Mr. Adler in connection with this case, did that  
14 representation cause you to have to reject any other  
15 employment as an attorney due to a conflict of interest  
16 or any such thing?

17 A No.

18 Q All right. Now, this was an ordinary patent  
19 infringement case, was it not, as it was brought by  
20 Mr. Kramer, at least?

21 A I would object to the characterization.

22 Yes, patent infringement was the allegation  
23 by Mr. Kramer. This was far from the ordinary case,  
24 and, certainly, in view of the results that occurred  
25 here.

2 THE MAGISTRATE: Judge Duffy has already  
3 found it was an exceptional case.

4 THE WITNESS: It was a once in a lifetime  
5 situation.

6 BY MR. BUMGARDNER:

7 Q Let me rephrase my question:

8 This case, as alleged at least by the  
9 complainant, involved the usual patent infringement  
10 issues, did it not?

11 A That is correct.

12 Q And the defendants were charged with having  
13 infringed Mr. Kramer's patent in suit; is that correct?

14 A That is correct.

15 Q And shortly after the suit was brought, is  
16 it not a fact, as shown by the record, that Mr. Adler  
17 ceased making the accused device or part?

18 A That is correct.

19 Q So is it true that you and I had certain  
20 settlement discussions on the eve of trial and in the  
21 courtroom?

22 A That is correct.

23 Q And was one of the subjects that we discussed  
24 the amount of potential damages that might accrue in  
25 this case?

2 A To the defendant, that is correct.

3 Q Now, we did not, in fact, settle the case,  
4 is that correct?

5 A Very much so.

6 Q Do you recall what amount of damages we  
7 discussed as possibly accruing to the plaintiff if  
8 he were successful in the case?

9 A I think it was less than \$1,000.

10 Q So, at least based on the plaintiff's case,  
11 if the plaintiff were to succeed in this case, he  
12 would from your client in all probability have col-  
13 lected something under \$1,000 in damages?

14 A Correct.

15 Q Mr. Berger, you testified that you have,  
16 aside from this case, only this trial experience which  
17 involved these hearings; is that correct?

18 A Yes.

19 Q Have you, however, in the course of your  
20 practice, had occasion to frame answers in patent  
21 infringement suits other than in this case?

22 A Yes.

23 Q How many times have you done that?

24 A Three times.

25 Q And in the course of your practice --



2 A Excuse me, to frame answers, three times,  
3 yes.

4 Q Well, let's ask the next question:

5 How many times have you framed complaints  
6 in patent infringement actions aside from what you did  
7 in this case?

8 A Twice.

9 Q Now, have you had occasion to see answers  
10 in other cases aside from these five or six that you  
11 have mentioned, aside from this one, in patent in-  
12 fringement cases?

13 A Not as a regular course, but, you know, in  
14 passing from time to time there might have been.

15 Q On those occasions when you framed answers  
16 in patent infringement cases -- and I believe you said  
17 that was three or four times aside from this case --  
18 did those answers contain the allegation that the  
19 plaintiff or the patentee was not the first and sole  
20 inventor in the subject matter of the patent and suit?

21 THE MAGISTRATE: I didn't hear your  
22 question.

23 Will the Reporter please read it.

24 Q (Question read as above recorded.)

25 That answer of the patentee not being first

2 and sole is a reasonable conventional type of answer  
3 included in my experience in answers to patent in-  
4 fringement complaints.

5 In this matter, though, there was a different  
6 instance, a different factual matter.

7 Q Well, it is a fact, Mr. Berger, as you stated,  
8 that it is conventional for a defendant in a patent  
9 infringement suit to allege either non-inventorship  
10 or lack of sole invention or lack of first invention,  
11 or defenses to that effect; is that correct?

12 THE MAGISTRATE: Is that the equivalent of  
13 patent invalidity?

14 MR. BUMGARDNER: That is one form or one  
15 possibility, your Honor. Patents can be invalid for  
16 a wide variety of reasons.

17 THE MAGISTRATE: This would still be another  
18 reason?

19 MR. BUMGARDNER: That would be another one,  
20 or complete anticipation would be one; or failure to  
21 properly disclose a claim of invention as provided  
22 by Section 112, or filing first abroad without a  
23 license to do so.

24 THE MAGISTRATE: I understand.

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Berger - cross

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2 BY MR. BUMGARDNER:

3 Q I would like to call your attention to  
4 Exhibit 1, Mr. Berger:

5 Do you have it in front of you?

6 A I do.

7 Q And now, the first item indicates May 1970.  
8 It says: "Conferences with B. Lilling of Lilling &  
9 Segal, re: Taking over above lawsuit."

10 How many conferences did you have with Mr.  
11 Lilling in May of 1970?

12 A Two or three. My recollection is two or  
13 three.

14 Q And what was the duration of each of those  
15 conferences? Were they short conferences or were they  
16 long conferences?

17 A I would estimate the two of them took about  
18 three hours; the two took about three hours, discussing  
19 the background of the case, the status of it, the client.

20 Q Now, let me ask a question: You testified,  
21 I believe, that you searched your hourly records  
22 presumably in July of last year, is that correct?

23 A Yes.

24 Q And having done so you compiled this bill,  
25 is that correct?

2 A Yes.

3 Q Now, was that based on estimates of time  
4 that you spent, or did you actually have records that  
5 showed what time you spent?

6 A Through December of 1970 I was only able to  
7 estimate the number of hours from correspondence,  
8 recollection and papers filed with the Court.

9 I was able to find a copy or find my time  
10 records from, I think it was, December 1970 on. I  
11 have those time records, but the actual time records  
12 for 1970 and the actual time billed to Mr. Adler, or  
13 my best recollection of the time I spent in preparing  
14 the papers as indicated, the discussions with the  
15 various potential witnesses and other matters  
16 specifically stated in the monthly bills for 1970.

17 Q Now, in other words, referring to the 1970  
18 time here --

19 A Only 1970 time.

20 Q -- which appears on the first and second  
21 pages of Exhibit 1, under the column "Remarks", the  
22 textual material which appears there is based on  
23 your recollection and papers which you have in hand;  
24 is that correct?

25 A Yes.

2 You will note, for instance, that each of  
3 those items indicated are either directly found or  
4 related to official papers that are in the pleadings  
5 in this case, or are incidental to initially taking  
6 over the matter such as discussions with the prior  
7 attorney and discussions with the client, and the  
8 discussions with the potential witnesses whom the  
9 client and I discussed.

10 Q In other words, referring to Page 2 of  
11 Exhibit 1, that 79 hours which appears there is merely  
12 an estimate or a total of the estimates of your recol-  
13 lection of the things that you did in 1970; is that  
14 correct?

15 A Correct.

16 I believe I have my time records beginning  
17 December 1970, and I frankly don't have time records  
18 from the time I started out in practice, but I wasn't  
19 able to find those prior to that point.

20 Q In other words, am I correct in assuming  
21 that your participation in the events under "Remarks"  
22 in May of 1970 may have occupied either more or less  
23 of your time than ten hours?

24 A Correct.

25 Q Could it have occupied as little as five hours



2 of your time?

3 A I can either answer that yes or no. The  
4 hours that I indicated on the right are my best es-  
5 timate and recollection of the time that I spent.

6 Q Well, in order that we not have to labor  
7 through each of the list of months of 1970, however,  
8 calling your attention to the top of Page 2 where  
9 the 79 hour figure appears, all of those events which  
10 total up to 79 hours could have taken more than 79  
11 hours; is that correct?

12 A That is possible.

13 Q And they could have taken less than 79 hours?

14 A That is also possible.

15 Q Now, starting in 1971, January, I see you  
16 are reviewing files, miscellaneous correspondence and  
17 communication with client, 2.75 hours.

18 Was that taken from an actual time record?

19 A Yes.

20 Q Do you have those records with you?

21 A No.

22 Q Did you not testify a little earlier in  
23 this hearing that there was no correspondence to  
24 speak of between you and Mr. Adler?

25 A There was -- I did not say there was none.

2 I said that Mr. Adler is not a man with whom I would  
3 have a lot of correspondence, but from time to time  
4 I would correspond with Mr. Adler, perhaps based upon  
5 a pre-trial hearing at the Southern District, or  
6 perhaps to explain something that I might explain on  
7 the telephone.

8 There was also correspondence with Mr. Stoll,  
9 the prior attorney for plaintiff in this matter.

10 You know --

11 Q Well, let me ask you this: This statement  
12 here refers to miscellaneous correspondence and com-  
13 munication with client.

14 What correspondence was that, miscellaneous  
15 correspondence, do you know?

16 A I can check. I have a correspondence file  
17 here and I can refer to that, okay?

18 Q Yes, if you would.

19 A I see a letter of January 15, 1971 to Mr.  
20 Adler.

21 Q Do you see any more in January 1971?

22 A January 28, 1971 to Mr. Stoll.

23 Q Let us talk about correspondence for the  
24 client now --

25 THE MAGISTRATE: I am not sure, with the

1 slr Berger - cross 199a 32  
2 way that is worded, that it refers to correspondence  
3 with client. It reads: "Miscellaneous correspondence  
4 and communication with the client."

5 That could be separate and overlapping.

6 Q So you find two letters, one to your client  
7 and one to Mr. Stoll in January.

8 A Yes.

9 Q How long are those letters?

10 A The one to Mr. Adler is one page; the one  
11 to Mr. Stoll is one paragraph.

12 Q What files were you reviewing in January of  
13 1971?

14 A The files in this matter.

15 Q Do you recall the purpose for which you  
16 reviewed the file at that time?

17 A For one, there was a pre-trial conference  
18 that was held during the week of January 15, 1971;  
19 and also there was an intended deposition of Adler  
20 on January 28th, 1971, and then that was delayed at  
21 the last moment.

22 Q Referring to the February 1971 entry here,  
23 which totals 12 hours, who is Mr. Posnack?

24 A That is Mr. Emanuel Posnack. He is a  
25 rather senior patent attorney, and from to time as

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this matter proceeded I would discuss the status of

3

the case with other practitioners, some of whom --

4

I should say Mr. Posnack among them -- who offered

5

to me his opinion on the matter and whatever questions

6

I might raise with him.

7

Q In other words, Mr. Posnack was a senior

8

patent practitioner from whom you sought guidance?

9

A Correct.

10

Q Professional guidance at that time; is that

11

correct?

12

A Yes.

13

Q How much of these 12 hours did you spend

14

conferring with Mr. Posnack?

15

A I would have to review my detailed time

16

records on each of the items indicated.

17

Q I see this refers to conferences with Mr.

18

Posnack.

19

Would I be correct in assuming that in

20

February 1971 there was more than one conference with

21

Mr. Posnack?

22

A I believe so. Mr. Posnack -- I shared space

23

with Mr. Posnack, and from time to time, certainly

24

during that period, I had occasion to discuss this

25

matter with him.



1  
2 Q Did Mr. Posnack ever bill you for these  
3 conferences?

4 A No.

5 Q In other words, he gave freely of his time  
6 to guide you, is that correct?

7 A Yes.

8 Q Now I call your attention to the top of  
9 Page 3 which relates presumably, to May of 1971 where  
10 it says: "Conducting further technical research in  
11 technical library for prior art publications."

12 Did you spend seven and a half hours doing  
13 that during that month?

14 A Yes. There is a technical library on 44th  
15 or 45th Street, I don't recall which, which has  
16 extensive publications in this area, in the area of  
17 machine work parts, and I spent --

18 Q Did you find any such prior art during the  
19 course of your search?

20 A Yes.

21 I believe I discovered prior art publications  
22 that I did not subsequently retain.

23 Mr. Adler on his own sought to find publi-  
24 cations and to make them available to me for this  
25 matter, and the publications I found were not as



2 pertinent, nor more pertinent than those that Mr.  
3 Adler on his own was attempting to find for me as  
4 well.

5 Q Am I correct in stating that you didn't  
6 find anything that was actually introduced in evidence  
7 at the trial?

8 A Correct, certainly.

9 Q Now, in the course of your practice, Mr.  
10 Berger, do you have occasion to draft and file patent  
11 applications for clients?

12 A Yes.

13 Q And as a prelude to drafting and filing  
14 of patent applications, do you either yourself or  
15 have someone else make novelty searches?

16 A Yes.

17 Q Do you sometimes employ searchers for that  
18 activity?

19 A Yes.

20 Q They usually perform their services in the  
21 patent office search section which is now in Virginia,  
22 is that correct?

23 A Yes.

24 Q And have any of your searchers ever charged  
25 you \$75 an hour for such services?

2 A No.

3 Q What do they usually charge?

4 A I am not provided with an hourly rate.

5 I am billed approximately \$50 for the search plus  
6 disbursements. That is the minimal charge, \$50.

7 However long it takes the searchers, I am not aware  
8 of.

9 Q Have you ever watched the searchers or some  
10 of them at work in the patent office search room?

11 A Yes.

12 Q Have you ever searched there yourself?

13 A I used to work in the patent office, and  
14 after leaving and commencing my own practice from  
15 time to time I would also conduct my own searches  
16 at the patent office.

17 Q When you got billed, say, \$50 for a search,  
18 in many instances the searcher isn't making more than  
19 \$10 an hour at the outside; is that not a fact?

20 A I think the firm I use, I think they are  
21 far in excess of \$10 an hour. They do not employ,  
22 as a general rule, you know, law students, but for  
23 people with quite a number of years doing searching -  
24 and these people are very, very efficient, and they  
25 can accomplish a lot of searching and cover a lot of

2 ground a lot more quickly than a non-experienced  
3 searcher can.

4 Q Well, the searchers' fees are nowheres  
5 near \$75 an hour?

6 A Well, I frankly don't know what they charge  
7 on an hourly basis, and I frankly don't know whether  
8 \$50 covers a half hour or three hours. I really  
9 don't know. If the search becomes more complex, I  
10 am advised as to what the approximate amount will  
11 be, although I am not advised as to what the hourly  
12 rate is.

13 Q I notice in June, Mr. Berger, that there  
14 was a continuing search for prior art.

15 A Yes.

16 Q That is correct, isn't it?

17 A Correct.

18 Q How much of that 18.75 hours was a  
19 continuing search?

20 A I would have to review my time records.  
21 In my continuing search for prior art I believe that  
22 covered not only returning to the library but also  
23 discussion with the client pieces that had been  
24 conventional in the art relating to the concept of  
25 nesting, which was one of the concepts which was

1 slr Berger - cross  
2 proposed as being patentable.

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3 And so my search was the record to that  
4 concept as well as hinge brackets. So as to my  
5 recollection on the prior art, it was always looking  
6 to actual samples of nesting pieces --

7 Q My question, Mr. Berger -- I hate to in-  
8 terrupt you, but I would like to get an answer to  
9 the question I asked -- how much of this 18.75 hours  
10 approximately relates to a continuing search? About  
11 half of it? Might it have been more than half?

12 A I would say probably anywhere from four to  
13 nine hours.

14 MR. BUMGARDNER: All right.

15 THE MAGISTRATE: Unless you are about to  
16 conclude your cross-examination I think we will take  
17 a brief recess.

18 MR. BUMGARDNER: All right, that will give  
19 me an opportunity to see, your Honor, what else I  
20 want to put in.

21 THE MAGISTRATE: Off the record.

22 (There is a discussion off the record.)

23 (Recess.)

24 (After the recess.)

25 MR. BUMGARDNER: May I have the last question



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2 and answer read, please?

3 (Last question and answer read as previously  
4 recorded.)

5 BY MR. BUMGARDNER:

6 Q I call your attention to Page 4 of Exhibit  
7 1, Mr. Berger, who is H. E. Rubins?

8 A Mr. Rubins is of the firm of Rubins & Berger,  
9 he is a senior patent practitioner of some forty years  
10 standing at the Bar, who from time to time would review  
11 this matter with me; and when he did we retained  
12 records of the time he spent. He is different from  
13 the situation of Mr. Posnack who provided guidance  
14 in a friendly sense. Mr. Rubins and I have a relation-  
15 ship, so when we consult and assist each other we  
16 retain time records.

17 Q You separately stated his time as an item  
18 under May 1972, is that correct?

19 A Yes.

20 Q And he spent five and a half of these hours  
21 conferring with you, and you spent five and a half  
22 of these hours conferring with him?

23 A That is correct.

24 Q What was the purpose of this review or  
25 conference?



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2 A Well --

3 Q Were you seeking his guidance as to how  
4 to conduct the litigation?

5 A I think we were discussing -- it is my  
6 recollection it is one of the first meetings we had,  
7 if not the first meeting we had on this. Mr. Rubins  
8 has been away from November of 1971 until May of 1972,  
9 and we discussed what had happened and what was  
10 probably going to happen, and basically the status  
11 of the case, issues that were involved essentially  
12 relating to the false inventorship issue, which is  
13 my recollection of what we were spending a lot of  
14 time on.

15 Q Was it your purpose in conferring with Mr.  
16 Rubins to seek his guidance in the conduct of the  
17 litigation?

18 A Not so much his guidance as much as exchange  
19 ideas, as you do with an associate on reflecting what  
20 you are doing, and his ideas of what you are doing  
21 and trying to gauge how the case is being conducted.

22 Q Who is Mr. O'Rourke?

23 A Mr. O'Rourke is a friend of Mr. Adler, an  
24 attorney up in Yonkers, who during the beginning of  
25 1973 was considered getting involved in this matter

2 as trial counsel; at least Mr. Adler had spoken to  
3 Mr. O'Rourke of Yonkers, and he had spoken with me  
4 regarding the matter, and there were some extended  
5 discussions between O'Rourke and myself.

6 THE MAGISTRATE: What is his first name?

7 THE WITNESS: Frankly, I do not know.

8 I may have something to look at to see.

9 (Examining papers.)

10 I would have to check further to see if  
11 I could find Mr. O'Rourke's first name.

12 THE MAGISTRATE: Is he the councilman in  
13 Yonkers?

14 THE WITNESS: Yes.

15 THE MAGISTRATE: He used to be a neighbor  
16 of mine.

17 BY MR. BUMGARDNER:

18 Q Is he a patent attorney?

19 A No, general attorney. Mr. Adler has lived  
20 in Yonkers a long time -- he no longer does, in fact,  
21 he has moved -- but from time to time, you know, I  
22 guess he spoke to Mr. O'Rourke about this matter, and  
23 Mr. O'Rourke discussed it with me.

24 Q Now, you have indicated, Mr. Berger, that  
25 this is your first patent infringement trial; that

2 is correct, is it not?

3 A Yes.

4 Q Have you ever previously prepared for a  
5 patent infringement trial?

6 A Yes, I have.

7 Q Where did you do that?

8 A It was in the Western District -- a  
9 District Court in Missouri, I think Northern Division.  
10 It was a matter where we had gone to the day of trial  
11 and I prepared -- my client was the defendant -- I  
12 also worked with Fish and Neave on the matter; they  
13 assisted me in the matter, and they became involved  
14 in the last two months in preparation for trial, and  
15 that was in 1972.

16 The case, I believe, was settled in April  
17 of 1972.

18 So there was rather thorough preparation.

19 Q May I ask, is that the only other time that  
20 you prepared for trial in a patent infringement case?

21 A Yes.

22 Other matters were settled earlier than on  
23 the eve of trial that I have been involved in.

24 MR. BUMGARDNER: All right, your Honor, I  
25 believe that completes my cross-examination of Mr.

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16 THE WITNESS: Initially, I would like to  
17 state that on a certain Friday preceding the week in  
18 which this case was tried I received a phone call  
19 about a quarter to five in the afternoon asking me if  
20 I would like to try this case. I had previously had  
21 no acquaintance whatsoever with the case, although I  
22 had had Mr. Kramer as a client in connection with other  
23 matters.

24

25 I did not receive from the prior attorney  
of Mr. Kramer other papers in the case until Monday  
afternoon.



2 I prepared, or I attempted to prepare for  
3 trial on Monday evening, starting on Monday evening,  
4 and on Tuesday morning I called Judge Duffy and re-  
5 quested an extension of time, which extension was  
6 denied.

7 Consequently, I found myself after the trial  
8 started on Thursday still reading the evidence which  
9 I was seeing for the first time.

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

212a

-----x  
HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, :  
Plaintiff, : Civil Actions Nos.  
-v.- :  
DURALITE COMPANY, INC., : 67 Civ. 2079  
Defendant. :

-----x  
HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, : 67 Civ. 2081  
Plaintiff, :  
-v.- :  
G & A MACHINE WORKS, INC. : Before:  
Defendant : HON. KEVIN T. DUFFY  
District Judge

-----x  
PLAINTIFF'S MEMORANDUM WITH RESPECT  
TO THE AMOUNT OF ATTORNEY FEES  
AWARDED TO DEFENDANT

HARVEY E. BUMGARDNER, JR.  
Attorney For Plaintiff  
1230 Sixth Avenue  
New York, New York 10020

Of Counsel:

BARBARA BUMGARDNER  
Arthur, Dry & Kalish

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## ABBREVIATIONS USED IN THIS BRIEF

- O & O, p. — The Opinion and Order of Judge Duffy  
filed herein on December 20, 1973.
- AFHT, p. — The Transcript of the hearing before  
Magistrate Goettel on April 29, 1974.
- AFHT-PX- Plaintiff's exhibits at the April 29,  
1974 hearing.
- AFHT-DX- Defendant's exhibits at the April 29,  
1974 hearing.



## STATEMENT OF THE CASE

Proceedings Prior To Decision

This case involved a consolidated trial of two related actions, Kramer v. G & A Machine Works, 67 Civ. 2081, and Kramer v. Duralite (a customer of G & A), 67 Civ. 2079. Duralite's representation by its own counsel appears to have been minimal, and Duralite's counsel did not participate in the trial of the consolidated actions.

Defendants' principal attorney, Peter Berger, Esq., (according to his alleged bills to his client (AFHT-DX-1)) assumed defense of the case on behalf of G & A (and, presumably, its customer, Duralite) in or about May, 1970, from a prior counsel, one Burton L. Lilling, Esq. (the function of Alan K. Roberts, Esq., is obscure, and no evidence of the extent or cost of his representation was presented at the attorney fee hearing before Hon. Gerald L. Goettel, Magistrate). Mr. Berger became counsel of record for defendants after the trial had commenced.

The plaintiff was originally represented in these actions by Samuel J. Stoll, Esq. On June 18, 1973, two days before trial, the cases were first referred to the undersigned as trial counsel, and the undersigned, Harvey E. Bumgardner, Jr., commenced trial of the actions on June 21, 1973. The trial extended over two more or less full trial days (June 21, 22) and three short partial trial days (June 27, 28, 29), the trial time consumed aggregating approximately three full trial days.

Prior to trial Mr. Berger had produced few papers designed for presentation and actually presented to the Court. Reference to the Docket Cards and Mr. Berger's alleged bill to his client (AFHT-DX-1) reveals that Mr. Berger, prior to trial, prepared and submitted to the Court:

1. a stipulation substituting counsel;
2. a motion and supporting affidavit ) pursuant to Rule 9(1) to reopen discovery (consented to);
3. a stipulation extending the time for filing the pretrial order;
4. an amended answer and counterclaim; and
5. a consent pretrial order.

Additionally, Mr. Berger took the deposition of the plaintiff in two part-day sessions and attended while Mickey Adler, G & A's president, was deposed by plaintiff in one session.

#### The Opinion And Order

In his Opinion and Order after trial, filed December 20, 1973, Hon. Kevin T. Duffy, U.S.D.J., held:

"...that the device did not rise to the level of an invention; that the patent [in suit] was invalid and unenforceable; and that the plaintiff was not the creator of the design or device and lied when he said he was." (O & O, p. 5).

Elsewhere (O & O, p. 4), Judge Duffy found that Kramer's testimony "that he was the sole inventor...was totally incredible and wholly false."



Moreover, on the face of the same Opinion and Order (p. 3), Judge Duffy found the essence of the patented invention to be that:

"The alleged invention 'improves' on the prior art by 'nesting' the brackets and thus minimizing the amount of scrap involved...". (Emphasis supplied.)

Elsewhere (O & O, p. 5), he found that:

"...plaintiff approached George Gonsalves ...and requested Gonsalves to design a 'nesting' pattern of blanks...". (Emphasis supplied.)

Since, by the Court's own findings expressed on the face of its opinion, Kramer appears to have conceived and passed on to Gonsalves the very crux of the "improvement" which the Court found not to amount to invention, it is not difficult to see why Kramer considered himself to be the sole "inventor" thereof and so swore to the Patent Office and to the Court.

Nevertheless, Judge Duffy found (O & O, pp. 5-6) that "this is such an exceptional case that attorney fees are warranted under the provisions of 35 U.S.C. § 285", which provides that:

"The court in exceptional cases may award reasonable attorney fees to the prevailing party."

Thereupon, (O & O, p. 6) the Court directed a hearing before a magistrate of this Court "so that the amount of such fees may be properly determined."

Post-Decision Proceedings

Since the entry of Judge Duffy's Opinion and Order on December 20, 1973, plaintiff filed a Rule 52(b) motion directed to such Opinion and Order and concerned primarily with the attorney fee issue and the related inventorship issue. A copy of plaintiff's Rule 52(b) motion was submitted to Hon. Gerard L. Goettel, the magistrate to whom the determination of the amount of attorney fees mandated by the Court was assigned. Mr. Berger's alleged bills to his client (AFHT-DX-3) indicate that Mr. Berger spent some time in preparation for filing a response to this motion, but no such response was ever actually filed with the Court because Judge Duffy denied Plaintiff's Rule 52(b) motion without opinion before any such response was filed.

At the hearing before the Magistrate on attorney fees, Mr. Berger presented in evidence only three purported bills to his client (AFHT-DX-1, 2 and 3). No other time, billing or payment records were submitted (AFHT, p. 30).

Upon direct examination, Mr. Berger alleged that he had a "quasi-contingent" fee arrangement with his client, that is, the client was to pay Mr. Berger a \$1,000.00 retainer and, upon the final decision of the case, Mr. Berger would bill for his actual time expended at \$25.00 per hour, if he were unsuccessful on his client's behalf, and, if he were successful, he would bill for his expended time "at a reasonable rate". One may well wonder at Mr. Berger's apparent clairvoyance when he allegedly billed his client (on July 9, 1973, and December 10, 1973) for his allegedly expended time at rates far in excess of \$25.00 per



hour before Judge Duffy had even decided the case. Upon cross-examination, Mr. Berger could offer no written memorandum of this alleged quasi-contingent fee arrangement (AFHT, P. 14), admitted that his client had paid, to date, no more than the \$1,000.00 retainer (he was not even sure of that (AFHT, p. 11)) and admitted that he had no time records at all for 1970 (AFHT, p. 28).

In the course of the attorney fee hearing, the Magistrate asked Mr. Berger to recompute his fees based upon the usual billing rates charged by him to other clients during the years in question and that he furnish a copy of such recomputation to plaintiff's counsel (AFHT, p. 52). No such copy has yet been furnished to plaintiff's counsel although plaintiff's counsel has requested the same expressly and in writing. Via telephone, plaintiff's counsel was advised by Mr. Berger that the recomputed total would be between \$23,000.00 and \$24,000.00

THE FACTORS AFFECTING THE AMOUNT  
OF "REASONABLE ATTORNEY FEE AWARDS  
IN PATENT CASES

According to a recent decision in this District, the factors to be taken into account in determining "reasonable" attorney fees pursuant to 35 U.S.C. § 285, are diverse and comprehensive and "must after all state in money terms a host of imponderables drawn from professional experience, judgment and the quest for fairness in appraising the unique qualities of the unique case". Barr Rubber Products Company v. Sun Rubber Co., 279 F. Supp. 49,52 (S.D.N.Y. 1968); reversed on other

grounds, 425 F. 2d 1114 (2nd Cir. 1970). In another recent decision in this District, Judge Levet stated that:

"The amount of the attorney's fee must be based on the nature of the case, the services necessarily rendered and their fair and reasonable value". (Emphasis supplied.) Thermovac Industries Corp. v. Virtis Co., Inc., 159 U.S.P.Q. 349, 353 (S.D.N.Y. 1968).

The rubric is most succinctly stated in cases under the companion provision of the Copyright Laws, Title 17 U.S.C. § 116 which provides:

"In all actions, suits, or proceedings under this title, \*\*\*full costs shall be allowed, and the court may award to the prevailing party a reasonable attorney's fee as part of the costs."\*

The rubric, as it is stated in Cloth v. Hyman, 146 F. Supp. 185, 193 (S.D.N.Y. 1956) is:

"In determining what is a reasonable attorney's fee, the Court should take into account the following elements, among others: the amount of work necessary; the amount of work done; the skill employed; the monetary amount involved; and the result achieved."

See also, e.g., Orgel v. Clark Boardman Co., 301 F. 2d 119, 122 (2nd Cir. 1962), cert. den., 371 U.S. 817 (1962).

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\* Reference is had to the Copyright Laws not only because of the analogous discretionary counsel fee provision which appears therein, but because the Magistrate, during the course of the attorney fee hearing, inferentially (at AFHT, pp. 62, 64-64) sought guidance as to the amount of counsel fees generally awarded in patent attorney fee cases, a fee schedule as it were. While, apart from Barr, supra, and Thermovac, supra,



During the course of the hearing before the Magistrate, Mr. Berger relied upon Chromalloy American Corp. v. Alloy Surfaces Co., Inc., 353 F. Supp. 429 (D. Del. 1973) to establish that a reasonable rate for a New York patent attorney was \$75.00 per hour (Ibid, at 432) and, presumably, that the "fee contract between the defendants and their attorney must be given considerable weight, although the Court is not bound by it." (Id.) The law of this District is to the contrary in both respects except that this District does not appear to be bound by the amounts of fees actually billed and paid. (Barr, supra; Thermovac, supra.)

Moreover, Mr. Berger's "fee contract" with his client is ephermeral, a contract which ever on retreats from any approach to definition. Viewed in the light of the fact that Mr. Berger took this case on a \$1,000.00 retainer (an amount approximately his client's maximum damage exposure (AFHT, p. 24)), it is incredible that Mr. Berger actually ever expected Mr. Adler, the president of his defunct client, to pay him \$33,347.85 or any other lesser sum in that rarefied atmosphere for winning the case on validity of the patent in suit or even that he expected payment of \$10,593.75 (423.75 hrs. x \$25/hr) if he lost it.

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no general guide to the level of attorney fees awarded in this District in patent cases has been found, plaintiff has discovered that such a compilation has been made for the Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary of the United States Senate with



His contract obviously was for \$1,000.00 plus, perhaps, whatever he could get out of Kramer.

However, in an attempt to overview this case in the light of the authorities in this District, it will be assumed that Mr. Berger actually expected to be paid for 423.75 hours of work at some rate in order to save his client from a maximum \$1,000.00 damage exposure. In this highly (and unwarranted) credulous approach to the problem, one must bear in mind the recent patent case authorities in this District.

In Thermovac, supra, statements were submitted by two firms totalling \$31,422.58. The pre-trial proceedings were extensive. One of the firms involved was the renowned patent litigation firm, Kenyon & Kenyon. Award--\$12,000.00. Similarly, in Barr, supra, lead counsel, a partner in another well-known New York patent litigation firm, was rated, for purposes of determining attorney fees (after deduction of unnecessary and irrelevant time), at \$30.00 per hour, and associate counsel was rated at \$20.00 per hour.

Against this background and the rubric as expressed in Cloth v. Hyman, supra, we will test the case at bar.

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respect to copyright cases under the companion attorney fee provision. This study, which was prepared for the Eighty-Sixth Congress, Second Session, pursuant to Senate Resolution 240, compared attorney fee awards in copyright cases to the damages otherwise recovered. A copy of the pertinent pages of this study is annexed hereto and reference thereto will be made, infra.

APPLICATION OF THE RUBRIC TO  
THE FACTS OF THIS CASE

The Amount of Work Necessary

This was a relatively simple patent infringement case involving a simple technology, a low level of skill and a minimal damage exposure to Mr. Berger's client, an admitted infringer, of under \$1,000.00. No expert testimony was presented at trial. Actual trial time aggregated no more than three full trial days. Only three depositions were taken or attended by Mr. Berger, all of very limited duration judging from the amounts billed by the reporting services (AFHT-DX-1, pp. 2,3).

In Dubil v. Rayford Camp & Co., 184 F. 2d 899, 903 (9th Cir. 1950), an appellate court found \$15,000.00 to be an excessive attorney fee award in a "simple" patent case on which "nine days were expended during the trial" (Emphasis supplied). The court found its estimate of nine days of necessary pre-trial time for discovery and the preparation of the case for trial to be "overgenerous". Application of the court's standard in Dubil to the facts of this case wherein Mr. Berger allegedly billed his client for 31.5 hours of trial (AFHT-DX-1, p. 5) would indicate a warranted and necessary expenditure of time on this case up to and including trial of 63 hours or, certainly, no more than approximately 100 hours. Mr. Berger alleges that these same endeavors occupied 345 hours of his time (AFHT-DX-1), and this total does not include former counsel's time.



The Amount Of Work Done

Preliminary examination of Mr. Berger's alleged bills (AFHT-DX-1, DX-2, DX-3) reveals that Mr. Berger amassed the bulk of the 345 hours through trial which he seeks to charge to Kramer by the expedient of "reviewing" the case or various aspects of it. In one form or another, either alone or with others, Mr. Berger, by actual count, has "reviewed" the case or aspects of it no less than 24 times. By way of contrast, plaintiff's trial counsel reviewed the case once for part of two days and proceeded to trial.

One aspect of this continuing review, review with others, should be considered in the light of Thermovac, supra, which states (at p. 354):

"Neither does this statute, Section 285, warrant the employment of attorneys to duplicate the work of other attorneys

\*\*\*

A party may have as many attorneys as he desires, but his adversary should not be expected to reimburse him for such expenses unless necessity is affirmatively demonstrated."

Mr. Berger's alleged bills (AFHT-DX-1, p.4) show 11 hours of time spent in May, 1972 in review of the litigation with H. E. Rubens, a senior patent attorney. Again, in June, 1973, Mr. Berger apparently reviewed the entire file with Mr. Rubens. This activity undoubtedly occupied an appreciable portion of the 79 hours charged to the case for June, 1973. In July, 1973, after the trial of the case, Mr. Berger spent a substantial part of 3 hours reviewing the trial with Mr. Rubens (AFHT-DX-2).

According to Mr. Berger's testimony (AFHT, pp. 39-40) Mr. Rubens did no direct work on the case, but Mr. Berger seeks to charge for extended conferences had with him for the purpose of exchanging ideas and "to gauge how the case is being conducted."

These conferences between Mr. Berger and Mr. Rubens are either unnecessary duplication of attorney time or are part of Mr. Berger's continuing legal education which he was also pursuing with Mr. Posnack (AFHT, pp. 32-34).

"Q ... who is Mr. Posnack?

A ... He is a rather senior-patent attorney, and from time to time as this matter proceeded I would discuss the status of the case with other practitioners, some of whom - I should say Mr. Posnack among them -- who offered to me his opinion on the matter and whatever questions I might raise with him".

"Q ... Did Mr. Posnack ever bill you for these conferences?

A ... No."

A leading attorney fee case in this Circuit is Orgel v. Clark Boardman Co., 301 F. 2d 119 (2nd Cir. 1962). In that case, a copyright case damages were awarded to the plaintiffs in the amount of \$6,424.66, and plaintiffs sought attorney fees in the amount of \$10,000.00. The court limited attorney fees to \$5,000.00 reasoning (at p. 122):

"while a substantial amount of time was spent by plaintiffs' counsel, much of it was necessitated by counsel's unfamiliarity with the field".



In Chromalloy American Corp. v. Alloy Surfaces Co., Inc., 353 F. Supp. 429 (Del. 1973), the case cited by Mr. Berger during the hearing, the court distinguished Orgel (at p. 432) by specifically finding that

"An examination of the number of hours expended by counsel for defendants.... does not convince the Court that the time expended on any task was unreasonable".

Plaintiff submits that all of the review time spent by Mr. Berger with Messrs. Rubens and Posnack is either "duplication" (Thermovac) or unreasonable (Chromalloy) or part of Mr. Berger's legal education (Orgel).

Conferences with Mr. O'Rourke, who was an attorney acquaintance of the defendant, Mr. Adler, was

"considered (sic) getting involved in this matter as trial counsel" (AFHT, p. 41),

which conversations led nowhere and produced nothing, and for which conversations Mr. Berger lists two separate billings of indeterminate time, clearly should be disallowed as unreasonable.

Another aspect of the work done should be considered under the test of what was necessary. The subject matter of the patent was simple. Only the prior art cited by the Patent Office was used at trial. Yet Mr. Berger in May and June, 1971, spent a minimum of 11.5 hours (AFHT-DX-1, pp. 2, 3) to a maximum of 16.5 hours searching for prior art (not including unspecified hours of review) none of which were pertinent or used at trial (AFHT, p. 35).



"Q ... Did you find any such prior art during the course of your search?

A ... Yes

I believe I discovered prior art publications that I did not subsequently retain.

Mr. Adler...sought publications... and the publications I found were not as pertinent, nor more pertinent than those..." (AFHT, pp. 34-35).

Not hindsight, but prudence would dictate that such searches were unreasonable.

Reviewing Mr. Berger's time charges on a year by year basis, in 1970, Mr. Berger expended 79 hours on this case. This is only an estimate, since he had no actual time records for 1970 (AFHT, p. 29). This 79 hours produced only a few very preliminary and routine papers (2 stipulations, a motion, a supporting affidavit and an amended answer and counterclaim (AFHT-DX-1, pp. 1,2) see p. 2, supra) and covered a part day session of Mr. Kramer's deposition. The remainder of the time expended was spent either in reviewing the files or deciding whether to take the case.

According to the Docket Sheets no papers at all were filed during 1971. Mr. Adler's deposition was taken on February 4, 1971, and Mr. Kramer's deposition was taken on March 16, 1971. Yet Mr. Berger's alleged bill for 1971 charged 116 hours to the case (\$8,700.00) most of which was for fruitless (by his own admission) research and continuing review.

In 1972, Mr. Berger apparently filed a consent pre-trial order and continued to review. Bill for services -- \$2,587.50 (34.5 hours).

In 1973, the bulk of Mr. Berger's time was spent preparing for or actually on trial or preparing post-trial briefs.

"Under 35 USC § 285, the defendants are only entitled to an award of attorney fees in connection with the patent claims. The hours expended preparing a claim for attorney fees must be excluded. Thermovac Industries v. Virtes, supra at 355 ...the Court must make a reasonable estimate that 10% of the time expended on post-trial briefing was devoted to an application for attorney fees." Chromalloy American Corp. v. Alloy Surfaces Co., Inc., supra, at p. 432.

A total of 46.25 hours were expended from July to December, 1973 (AFHT-DX-2). It is submitted that 10 percent or some other reasonable percentage of 43.25 hours be disallowed. The remaining 3 hours of review with Mr. Rubens should be disallowed on grounds stated supra.

Of the 32.50 hours of services rendered in 1974, a minimum of 90% or 29.25 hrs. should be disallowed since they are primarily related to the issue of attorney fees. Thermovac Industries v. Virtes, supra at 355.

#### The Skill Employed

Mr. Berger is a patent counsel with virtually no patent litigation experience, having begun practice in 1969. This was his first trial in the patent field, his only other litigation experience of any kind having been in hearings in New Jersey (ongoing) for which his time charges are \$25 per hour or were rendered gratis (AFHT, p. 21).



Mr. Berger's quasi-contingent fee arrangement with his client was: to be paid a retainer of \$1,000 (collected, although he does not recollect accurately how or when, and apparently used for disbursements) plus \$25 per hour if he were unsuccessful and a reasonable rate if he were successful (AFHT, p. 3).

In the two litigation matters in which he was participating in 1970, Mr. Berger set his fee at \$25.00 per hour although he claims that his normal billing rate was \$40.00 per hour at that time.

In 1968, the court in Thermovac, supra at p. 355, considered a reasonable fee for a partner at Kenyon and Kenyon, one of the renowned patent firms in the country, \$45.00 per hour.

Again in 1968, Judge Frankel, in Barr Rubber, supra at p. 52, found that a reasonable fee for a partner, Harvey Brownront at Darby & Darby, in a case described as extremely complicated, was \$30 per hour. Associates of Mr. Brownront were reasonably compensated at \$20 per hour.

In view of Thermovac and Barr, for a totally inexperienced litigator \$25.00 per hour in 1970 was within the normal range of what the courts considered reasonable in this Circuit.

Considering for a moment, the inflation, of which the magistrate took notice, at the rate of 25% from 1970 to 1974, (AFHT, pp. 63-64) necessary work done in 1973 should not be billed at a higher rate than \$32.00 per hour. Mr. Berger's fee arrangement = \$25 per hour in 1970 x 25% for inflation or  $\$25 \times 25\% = 6.25$ ;  $\$25 + 6.25 = 31.25$  or \$32 per hour in 1973. In the alternative, based on what Mr. Berger claims was his standard billing rate

in 1970, to wit: \$40.00 per hour, the increase caused by inflation would bring his rate up to \$50.00 per hour ( $\$40 \times 25\% = \$10.00$ ;  $\$40 + 10 = \$50.00$  per hour). Such a \$50 per hour rate, however, in view of Barr and Thermovac, would be excessive.

Furthermore, in both Thermovac and Barr, after determining that an average fee of \$37.50 per hour (\$45 in Thermovac, \$35 in Barr) was reasonable for senior patent partners in renowned patent litigation firms; after determining that \$20 an hour was reasonable for associates; after making specific deductions for disallowed items under the general rules of the cases of this circuit; the court further wacked the net billing by 50% in Thermovac (supra, at p. 356) and deducted 40% across the board for non-essential labor and duplication and then allowed an additional credit of \$50,000 to defendant in Barr (supra, at p. 52).

#### The Amount Involved

This was an uncomplicated lawsuit. The maximum amount of exposure to Mr. Berger's client was something under \$1,000 (AFHT, p. 24). It would be illusory to count the very attorney's fee award as an amount involved in determining the reasonableness of the attorney fee award. A bill of \$33,000+ (or 24,000+) must be construed, in the most favorable light, as unreasonable 'over-kill'.

#### The Results Achieved

Mr. Berger succeeded in invalidating a patent, saving his client harmless from its admitted infringement; was unsuccessful in his counterclaims; was awarded no damages; and, was awarded reasonable attorney fees. In a copyright case under



17 USCA § 116, Chief Judge Clark (then Circuit Judge sitting as District Judge) in Rose v. Connelly, 38 F. Supp. 54,56 (S.D.N.Y. 1941) avers

"But I definitely tried to arrive at only a fair fee fairly earned, since, generally speaking, that, rather than a punitive award, seems to me to be consonant with the authorization in 17 U.S.C.A. § 40 of 'a reasonable attorney's fee.'"

### Overview

Considering the conservative attitude of this circuit toward what constitutes reasonable attorney fees; that they must be fair and not punitive; that they should have some relation to the monetary value of the particular case; that specific deductions from them must be disallowed; that the experience of the attorney involved was minimal; that he has no actual records for 1970; that, indeed, since he was not able to show when and for what he was paid during the remainder of the billing period, some doubt is cast as to the standard of his record keeping generally; that almost no activity was generated on this case in 1971 or 1972; that an unreasonable amount of time was spent on review, and on filing rudimentary papers all of which tend to show the extremely low level of experience and that the only monetary award was a negative one except for the bootstrapping operations of attorney fees; and, that plaintiff has the burden of proving that his time and charges were fair, reasonable and not punitive; plaintiff respectfully submits that the maximum reasonable attorney fee which should be awarded to defendant is \$5,330.36 computed as follows:



- |   |  |
|---|--|
| 1. that the fair value of attorney fees<br>be set at \$25 per hour for billings<br>of 1970, 1971, 1972 (Based on Mr.<br>Berger's evaluation of his worth<br>to his client)  | \$ 5,737.50                                      |
| 2. that the fair value of attorney fees<br>be set at \$32 per hour for 1973, 1974<br>(based on an increase of 25% due to<br>inflation)  | \$ 7,217.00                                      |
| Recomputed Total Billing  | <u>\$12,954.50</u>                               |
| 3. that there should be specifically<br>disallowed in 1970, 1971, 1972<br>conferences with Mr. Posnack, Mr.<br>Rubens -- 17 hours   | \$ 425.00  |
| Fruitless technical research<br>20 hours  | 500.00   |
| 4. that there be specifically disallowed<br>for billings of 1973, 1974; 3 hours<br>of conferences with Mr. O'Rourke, 11<br>hours of review with Mr. Rubens<br>(estimate based on previous review<br>time);<br>10% of 43.25 spent on post-trial<br>brief as having no relation to<br>patents but only attorney fees<br>4.3 hours | 352.00<br><br><br><br><br><br><br><br><br>141.60 |

90% of the time spent in 1974 as  
being in direct relation to attorney  
fees

29.25 hours at \$32 per hour 936.00

Total Deductions	<u>\$ 2,450.60</u>
Recomputed Total Billing	\$12,954.50
Deductions	<u>2,450.60</u>
Net Billing	<u><u>\$10,503.90</u></u>

5. that 55% of the net bill be discounted  
due to the astounding amount of review  
billed, the paucity of legal papers or  
activity during the first 3 years of  
this case and the general level of  
inexperience causing every routine  
activity to be multiplied by a time  
factor of 3

Across the board reduction \$ 5,273.24

Net Billing \$10,503.90

Reduction 5,273.24

Maximum Reasonable Attorney Fee \$ 5,330.36



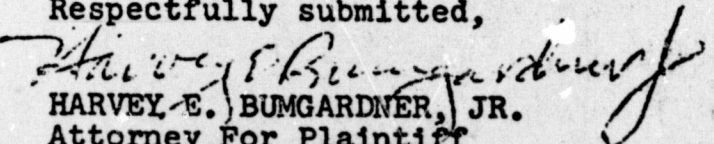
IN VIEW OF THE ABSENCE OF  
RECOVERED DAMAGES, THE ATTORNEY  
FEE AWARD SHOULD BE NOMINAL

In the proceeding section of this memorandum, "Overview", a proposed maximum attorney fee computation was presented based on the approaches recently taken in this District in the Barr and Thermovac cases. However, it is presumed that the attorney fee awards made in those cases were not further limited by lack of recovered damages or lack of even a substantial damage exposure. In the case at bar, defendant recovered no damages and defendant's damage exposure was under \$1,000.00 (AFHT, p. 24).

In the Copyright Law Revision Studies prepared for the Subcommittee on Patents, Trademarks and Copyrights of the Senate Committee on the Judiciary, pursuant to S. Res. 240, Eighty-Sixth Congress (a copy of the pertinent pages of which is annexed hereto) it is stated (at p. 85) that attorney fee awards "are likely to be scaled roughly in proportion to the amount recovered by successful plaintiffs". Reference to Table B (Ibid, at p. 91) shows that such a practice has, in fact, been the case and has been the practice followed in this District.

Plaintiff submits, therefore, that a "reasonable" attorney fee award in this case can scarcely exceed the sum of \$1,000.00, which was defendant's maximum damage exposure, the maximum amount which Mr. Berger saved his client.

Respectfully submitted,

  
HARVEY E. BUMGARDNER, JR.  
Attorney For Plaintiff  
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New York, New York 10020

Of Counsel:  
BARBARA BUMGARDNER  
Arthur, Dry & Kalish

86th Congress }  
2d Session }

COMMITTEE PRINT

## COPYRIGHT LAW REVISION

### STUDIES

PREPARED FOR THE  
SUBCOMMITTEE ON  
PATENTS, TRADEMARKS, AND COPYRIGHTS  
OF THE  
COMMITTEE ON THE JUDICIARY  
UNITED STATES SENATE  
EIGHTY-SIXTH CONGRESS, SECOND SESSION  
PURSUANT TO  
S. Res. 240

#### STUDIES 22-25

22. The Damage Provisions of the Copyright Law
23. The Operation of the Damage Provisions of the Copyright Law: An Exploratory Study
24. Remedies Other Than Damages for Copyright Infringement
25. Liability of Innocent Infringers of Copyrights



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WASHINGTON : 1960

59C37







age awards).<sup>44</sup> That discretion may be exercised to withhold an allowance altogether if the courts consider the statutory damage award adequate—or excessive. On the other hand, a liberal allowance may be made that has the effect of substantially enhancing any other form of recovery.

The accompanying table B [at page 91] shows the relation of fee allowances to damage awards in cases decided in the 20-year period 1938-57.

Treated as an enhancement of damages, some of the amounts listed are substantial, at least when they are contrasted to the usual American civil practice of making no provision for the successful party's legal expenses.<sup>45</sup> But if their purpose is to provide for the *actual* reasonable expenses of prosecuting or defending an infringement, the prevailing opinion among lawyers interviewed was that fee allowances rarely are sufficient. For one thing, they are likely to be scaled roughly in proportion to the amount recovered by successful plaintiffs; and though this approach may not be inconsistent with lawyers' own habits in billing clients, it may bear little relation to the time and energy expended on a case. Second, courts do not usually make an allowance at all if an unsuccessful plaintiff's claim was not "synthetic, capricious or otherwise unreasonable," or if the losing defendant raised real issues of fact or law.<sup>46</sup> Several experienced practitioners said that they seldom received fee allowances, nor were their clients compelled to pay allowances, because the only cases they took to court involved unsettled questions of law or fact, and they did not expect the court to make an allowance to either side. Finally, there does not yet appear to be any discernible trend to adjust allowances to take account of the postwar inflation.

One expense of litigation that attorney's fees do not attempt to meet is the time lost by parties and witnesses, the cost of investigations undertaken by the client rather than the lawyer, and all the other peripheral but often major outlays attending litigation. However, no provision is ever made in our system for the recovery of such costs, except possibly in punitive damages. A few lawyers interviewed thought that fees were sometimes awarded punitively. This may be true in the sense that the court may grant fees rather than deny them because it reaches an unfavorable conclusion about the good faith of the losing party.<sup>47</sup> But there is no indication that fee allowances include any amounts beyond actual fees and disbursements.

The expected cost of litigation is, as we saw in part II, one of the factors that influence willingness to settle and the amounts acceptable in settlement. But the likelihood of getting a fee allowance at the end of litigation is so problematical that, according to our interview sources, it is not a factor that they will count on in deciding whether to settle or litigate.<sup>48</sup>

These observations about attorney's fees are not intended as an exhaustive treatment of the subject. The cases disclose a variety of

<sup>44</sup> *Hartfield v. Peteren*, 91 F. 2d 908 (2d Cir. 1937). The circuit courts also exercise discretion to award a further allowance for fees on appeal.

<sup>45</sup> Except by way of exemplary or punitive damages. See note, "Exemplary Damages in the Law of Torts," 83 Harv. L. Rev. 517, 519 (1957).

<sup>46</sup> *Clock v. Hyman*, 146 F. Supp. 185 (S.D.N.Y. 1956), quotation at 193. This opinion, awarding fees to a successful defendant, include a helpful discussion of the considerations involved. See also *Livenshain v. Foxcroft Publications, Inc.*, 246 F. 2d 508, 601 (6th Cir., 1957); *Marks v. Leo Feist, Inc.*, 8 F. 2d 470 (2d Cir. 1925).

<sup>47</sup> See *Coruthers v. RKO Radio Pictures*, 20 F. Supp. 656 (S.D.N.Y. 1937) ("The allowance of fees . . . constitutes a sanction which tends to be a deterrent both on infringers of copyright, and on wholly unfounded copyright claims").

<sup>48</sup> Performing-right licensors' cases seem to be the only area in which fees are routinely awarded.

miscellaneous reasons for denying fees, or for setting them at a particular figure, within a rubric that—

the court should take into account the following elements, among others: the amount of work necessary; the amount of work done; the skill employed; the monetary amount involved; and the result achieved.<sup>49</sup>

The relevance of fee allowances to the overall operation of the damage provisions is that, as an exception to the general proposition that parties pay their own legal expenses, these allowances when made increase a prevailing plaintiff's recovery. Their deterrent effect on ill-founded litigation, whether by plaintiffs or defendants, is outside the scope of this inquiry.

## VII. INDEMNITY AND INSURANCE

The incidence of damage awards may be shifted by indemnity agreements and distributed by insurance; therefore these two institutions deserve some attention.

### A. INDEMNITY

A right to indemnity may arise either from express warranties made by an author, from express contracts of indemnity made in the course of any dealings with copyright material, or from implied warranties and obligations to indemnify. Typical of the kind of warranty that may be made by an author is this provision in the uniform popular songwriters contract:

The writer hereby warrants that the composition is his sole, exclusive, and original work, that he has full right and power to make the within contract, and that there exists no adverse claim to or in the composition. \* \* \*

(with exceptions respecting ASCAP licenses and any other rights specifically excepted).

As a musical or other work moves into commercial channels of use, the person who supplies it usually agrees to indemnify the user against any liability arising from its use. These indemnities are elaborately developed in the complex of relationships among advertising agencies, producers of programs, licensors of musical performing rights, and broadcasters.

An illustration of the precise allocation of responsibility as between agency and broadcaster is found in a contract form approved by the American Association of Advertising Agencies and the National Association of Radio & Television Broadcasters for spot telecasting:

(a) *Indemnification by Agency.*—Agency agrees to hold and save Station harmless against any or all liability resulting from the telecast of programs or program material prepared, produced or furnished by Agency excepting such liability as may result from the telecast on Agency-produced telecasts of material furnished by Station and musical compositions, the performances of which are licensed by a music licensing organization of which Station is a licensee.

(b) *Indemnification by Station.*—Station will hold and save Agency and Advertiser harmless against all such liability on Station-produced telecasts excepting only such liability as may result from the telecast of commercial credits, and other material furnished by Agency. In addition, Station will hold and save Agency and advertiser harmless with respect to material furnished by Station for Agency-produced telecasts and the performances of musical compositions on Agency-produced telecasts provided the performances of such musical compositions are licensed for telecasting by a music licensing organization of which Station is a licensee.<sup>50</sup>

<sup>49</sup> *Cloth v. Hyman*, note 24, *supra*.

<sup>50</sup> Both this form, and the songwriters contract quoted above, are copyrighted.



## COPYRIGHT LAW REVISION

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TABLE B.—Fee Awards to Prevailing Plaintiffs, 1938-57

	Damages (or Profits)	Attorney's fees
<i>Drill v. Brunswick Balke Collender Co.</i> , 19 F. Supp. 812, mod. 94 F. 2d 537 (2d Cir. 1938).....	\$1,037	\$1,000 ✓
<i>Phil v. George Munster, Inc.</i> , 50 F. Supp. 341 (E.D. Pa. 1939).....	500	250 ✓
<i>Sheldon v. Mordecai Realty Corporation</i> , 29 F. Supp. 729 (S.D.N.Y. 1939).....	3,000	1,500 ✓
<i>Zenn v. National Golf Review, Inc.</i> , 27 F. Supp. 732 (S.D. N.Y. 1939).....	1,000	400 ✓
<i>Burady Engineering Co. v. Penn Union Elec. Corp.</i> , 321 F. Supp. 671 (W.D. Pa. 1940).....	4,000	1,000
<i>Kraft v. Cohen</i> , 22 F. Supp. 631 (E.D. Pa. 1940).....	750	300
<i>Sheldon v. Metro-Goldwyn Pictures Corp.</i> , 105 F. 2d 45, aff'd 99 U.S. 337, (1940). <i>Adventures in Good Eating, Inc. v. Best Places to Eat, Inc.</i> , 131 F. 2d 609 (7th Cir. 1942).....	63,000	33,000
<i>Burady Engineering Co. v. Sheldon Service Corp.</i> , 39 F. Supp. 274, (1941) aff'd 127 F. 2d 661, (2d Cir. 1942).....	3,500	1,700
<i>Sammons v. Colonial Press, Inc.</i> , 126 F. 2d 311 (1st Cir. 1942).....	3,500	2,000
<i>Advertisers Exchange, Inc. v. Dayless Drug Store, Inc.</i> , 59 F. Supp. 169 (D.N.J. 1943).....	7,466	1,500
<i>Law v. NRC</i> , 51 F. Supp. 748 (S.D.N.Y. 1943).....	250	150 ✓
<i>Rodell Leach Fine Arts, Inc. v. Metel</i> , 51 F. Supp. 69 (S.D.N.Y. 1943).....	2,180	250 ✓
<i>Select Theaters Corp. v. The Horizontal Maccaroni Co.</i> , 59 U.S.P.Q. 288 (S.D.N.Y. 1943).....	1	300 ✓
<i>Pendick Music Corp. v. Interstate Hotel Co.</i> , 58 F. Supp. 523 (D. Neb. 1944).....	11,500	2,000 ✓
<i>Stonifer v. Twentieth Century Fox</i> , 49 F. Supp. 165 (S.D. Cal. 1942), aff'd 140 F. 2d 579 (9th Cir. 1943).....	4,750	2,400 ✓
<i>Gorman v. Jerry Vogel Music Co.</i> , 43 F. Supp. 191 (S.D.N.Y. 1943), aff'd 153 F. 2d 516, (2d Cir. 1946).....	3,900	1,000 ✓
<i>Phillip v. The Constitution Publishing Co.</i> , 72 U.S.P.Q. 69, (N.D. Ga. 1947). <i>Whitman Publishing Co. v. Whitall</i> , 83 U.S.P.Q. 154 (S.D. Ohio 1949).....	C)	10,000 ✓
<i>Tobias v. Bruce Publishing Co.</i> , 151 F. 2d 641 (7th Cir. 1946).....	250	250 ✓
<i>P. W. Woodworth Co. v. Contemporary Art, Inc.</i> , 63 F. Supp. 739 (D. Mass. 1950), aff'd 344 U.S. 295 (1952).....	10,850	1,500 ✓
<i>Afford Film &amp; Co. v. Columbia Film Arts, Inc.</i> , 83 F. Supp. 559 (S.D.N.Y. 1950), mod. and aff'd 191 F. 2d 103 (2d Cir. 1951).....	1,000	500 ✓
<i>Metel v. Marshall Field &amp; Co.</i> , 95 F. Supp. 372 (W.D. Wash. 1951).....	3,574	1,000 ✓
<i>Gordon v. Weir</i> , 114 F. Supp. 117 (E.D. Mich. 1953).....	6,500	1,000 ✓
<i>Harry Alter Co. v. A. E. Farnon Co.</i> , 121 F. Supp. 941 (D. Mass. 1954).....	3,500	500 ✓
<i>Hill v. Fox Trading Mfg. Co. v. Dunham</i> , 126 F. Supp. 135 (S.D.N.Y. 1954).....	510	150 ✓
<i>Forst v. RCA</i> , 107 U.S.P.Q. 173, (S.D.N.Y. 1955).....	1,000	300 ✓
<i>M. J. Colten &amp; Co. v. Philadelphia Drawing Co.</i> , 137 F. Supp. 455 (W.D. Pa. 1955).....	5,000	1,000 ✓
<i>Nikony v. Simon &amp; Schuster, Inc.</i> , 141 F. Supp. 373 (S.D.N.Y.), aff'd 216 F. 2d 531 (1956).....		

\* Accounting ordered.

240a

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
HYMAN KRAMER, d/b/a HY KRAMER  
ENTERPRISES,

Plaintiff,

- against -

DURALITE COMPANY, INC.,

Defendant.

67 Civ. 2079 and  
67 Civ. 2081 (KTD)

REPORT AND  
RECOMMENDATION

-----X  
HYMAN KRAMER, d/b/a HY KRAMER  
ENTERPRISES,

Plaintiff,

- against -

G & A MACHINE WORKS, INC.,

Defendant.

-----X

The decision of Judge Duffy in the above actions found that the patent in suit was invalid and unenforceable, that the plaintiff was not the creator of the design or device and lied when he said he was, and that this was such an exceptional case that attorneys fees are warranted under the provisions of 35 U.S.C. § 285. A hearing before a Magistrate was directed to determine the proper amount of fees.

Defendant's attorney has claimed fees and expenses in a total amount of \$33,347.85. Plaintiff's counsel opposes the imposition of any fee and argues that, in the absence of

recovered damages, the attorneys fees awarded should be nominal, i.e. \$1,000 or less. Some of the plaintiff's arguments are foreclosed by Judge Duffy's decision and need not be considered herein. The arguments which are still open for disposition are as follows.

Plaintiff contends that this circuit and this district have been very conservative in awarding fees under statutory authorizations. It is true that the Second Circuit commented, in a copyright case, Orgel v. Clark Boardman, 301 F.2d 119, 122 (2d Cir. 1962) cert. den., 371 U.S. 817 (1962):

"The awarding of attorneys fees is discretionary with the court under the act ... since such a provision for attorneys fees is at variance with the usual practice in litigation before our courts, however, it has been sparingly used and the amounts awarded modest".

Plaintiff also cites several patent cases in which very modest fees were allowed. For example, in Barr Rubber Products Company v. Sun Rubber Co., 279 F.Supp. 49 (S.D.N.Y. 1968), Judge Frankel allowed only \$30 an hour for a partner's time and \$20 an hour for an associate's time. However, in so doing, Judge Frankel commented that the scale of payments awarded was:

"... not mentioned to determine 'worth' as measured in the market for legal service, but which represents a compendious 'feel' of what the court deems just for all the peculiar circumstances of this particular case". 279 F.Supp. at 52.



For an appreciation of what Judge Frankel had in mind when he referred to the "peculiar circumstances of this particular case" one need only look at the decision reversing the lower court published at 425 F.2d 1114 (2d Cir. 1970). That case, therefore, has little precedent value for determining a proper fee here.

In Thermovac Industries Corp. v. Virtis Co., Inc., 159 U.S.P.Q. 349 (S.D.N.Y. 1968), Judge Levet took a very strict view as to what services are necessarily rendered, and disallowed what he considered to be duplicatory time of two attorneys. That approach has some application here, since \$1,087.50 of another attorney's consultation time is claimed. This, however, does not mean that the time of the principal counsel is not allowable.

The high fee claimed by defendant's counsel is premised entirely upon his fee arrangement with his client. Plaintiff argues that the Court is not bound by this arrangement. That is unquestionably true, but it is a matter for some consideration. As the Court commented in Chromalloy Corp. v. American Alloy Surface Corp., 357 F.Supp. 429, 431 (D.Del. 1973):

"If it appears that the hourly rate charged is within a range normally charged for the defense of a patent infringement suit by attorneys of comparable experience and expertise, the court will look no further".

The initial problem here is that the defendant's counsel had an unusual fee arrangement. He was to receive a retainer of

\$1,000 and to be paid \$25 an hour for his time if he lost, but if he won, he was to be allowed to charge a reasonable fee. He views a reasonable fee as being \$75 an hour for office time and \$100 an hour for trial time. He concedes, however, that this embodies a contingency factor, and the long delay in receiving payment, and that, for the years in question, his ordinary hourly fee would have been \$40 an hour in 1970, rising grandually to \$50 an hour in 1972, and \$60 in 1974 (with a higher charge for court time). While the quasi-contingent arrangement was quite proper as between the attorney and his client, and the attorney may well be entitled to receive this higher fee from his client, in terms of assessing a reasonable fee for these purposes, we must look at the actual value of the attorney's time.

In the Chromalloy Corp. case, supra, the court allowed an apparently experienced counsel \$62 an hour in 1971 and \$75 an hour in 1972. There is a distinct problem in evaluating attorney Berger's expertise. He was only admitted to the bar in 1966 after graduating from George Washington University. However, he had previously been a patent examiner in the Patent Office and was an honor graduate of the George Washington University Law School (Order of the COIF) and patent editor of its Law Review. He worked for two years as a patent attorney at Bell Laboratories and then spent a half year with a firm and for another half year he was a patent counsel to a financial consultant. He opened

his own practice in 1969 (the year before this case commenced) and had had little previous trial experience.

Plaintiff argues that, because of this very limited previous experience, Mr. Berger's time should be allowed at no more than \$25 an hour. (This also being the minimum fee that would have been charged.) In addition, the plaintiff argues that because of Mr. Berger's inexperience he spent considerably more time with the preparation of this case than necessary. Concededly, it appears that Mr. Berger expended a good deal of unnecessary and repetitive hours in the preparation of the case, but it is doubly punitive to reduce his hourly charge because of his inexperience and then to disallow much of his time as being unnecessary. Application of either consideration amply covers the problem.

Plaintiff points out that this was a relatively simply patent case, not warranting a large fee. Dubil v. Rayford Comp. and Co., 184 F.2d 899 (9th Cir. 1950). That may be, but apparently (in light of the result), it was tried with great skill by defense counsel.

Plaintiff argues that the amount in controversy has to be considered in terms of setting a reasonable fee. Plaintiff contends that the maximum damages that defendant could have been compelled to pay was only \$1,000; consequently, the legal fee



should not exceed this amount. Admittedly there was more involved in this case than the simple recovery of damages, and there were strong feelings between the parties. It ill behoves the plaintiff, who initiated the law suit and had control over whether or not it would go to trial, and who himself spent many times the amount he alleges he could have recovered, to say that the defendant's counsel's fee should be reduced for this reason.

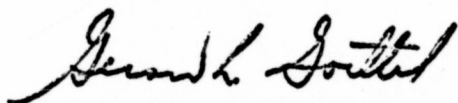
Plaintiff contends that there must be subtracted from the hours expended, the time involved in obtaining the award of attorneys fees. This is clearly the law. Thermovac Industry Corp. v. Virtis Co., supra; Chromally Corp. v. American Alloy Surface Corp., supra. However, the plaintiff brought on the motion to amend and supplement the findings of fact and conclusions of law in which the awarding of attorneys fees was one of several items unsuccessfully attacked. The hours involved in opposition to the Rule 52(b) motion are properly included. It would appear that only half of the 12 hours charged for March, 1974 were related to attorney's fees, and these alone will be disallowed.

Finally, the defendant has included in his claim a couple of hundred dollars of disbursements ("expenses") which are not taxable costs in the action. While plaintiff has taken no specific exception to this, the reference in this matter was solely for the computation of attorneys fees and there would not

appear to be any statutory authority for assessing costs other than taxable costs. Chromally Corp. v. American Alloy Surface Corp., supra. Consequently, these have been excluded from consideration.

Considering all of the various aspects discussed above, I find that the fair and reasonable fee to be awarded to the defendant's counsel is \$16,970. This figure is arrived at by using Mr. Berger's regular hourly charge for the years in question, by reducing the hours allowed for 1970, 1971 and 1972 by 50%, by subtracting six hours from 1974 as attributable to the attorneys fee collection, and by disallowing entirely the fees of other attorneys (except predecessor counsel) and expenses.

Respectfully,



Gerard L. Goettel  
United States Magistrate

DATED: New York, N.Y.  
June 10, 1974



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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HYMAN KRAMER, d/b/a HY	:	
KRAMER ENTERPRISES,	:	
Plaintiff,	:	Civil Actions Nos.
-v.-	:	
DURALITE COMPANY, INC.,	:	67 Civ. 2079
Defendant.	:	

-----X

HYMAN KRAMER, d/b/a HY	:	
KRAMER ENTERPRISES,	:	
Plaintiff,	:	67 Civ. 2081
-v.-	:	
G & A MACHINE WORKS, INC.,	:	Before:
Defendant.	:	HON. KEVIN T. DUFFY District Judge

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PLAINTIFF'S MEMORANDUM WITH RESPECT TO  
THE REPORT AND RECOMMENDATION  
OF THE MAGISTRATE

HARVEY E. BUMGARDNER, JR.  
Attorney For Plaintiff  
1230 Sixth Avenue  
New York, New York 10020

Of Counsel:

BARBARA BUMGARDNER  
Arthur, Dry & Kalish

After a hearing as directed by this Court's Opinion and Order of December 20, 1973, and after considering the transcript of the hearing, the relevant exhibits and the cross-filed memoranda of counsel on the issue of the amount of attorney fees, Hon. Gerard L. Goettel, United States Magistrate, has submitted to this Court his Report and Recommendation finding a fair and reasonable attorney fee award in this case to be \$16,970 or approximately \$17,000. The Magistrate's report is thorough and thoughtful and fairly seeks to deal with the major issues raised by plaintiff's memorandum on this subject, but plaintiff respectfully submits to this Court that the Magistrate has erred in two material respects in his application of the law to the facts.

#### POINT I

From his Report and Recommendation (p. 5) it would appear that the Magistrate has determined the amount of counsel fees to be awarded, at least in part, "in light of the result" (line 4) obtained by Mr. Berger. Actually, all of results, save one, obtained through Mr. Berger's advocacy were unremarkable in type and amount. The patent in suit was held to be invalid and unenforceable as are the vast majority of patents litigated in this District and Circuit. Defendant escaped a damage exposure of less than \$1,000. There were no damages awarded on the counter claim. The only unusual "result" was the award of attorney fees. Presumably it is this latter result to which the Magistrate refers.

It is respectfully submitted that the effect of the Magistrate's recommendation is to award Mr. Berger a \$17,000 counsel fee for winning a \$17,000 counsel fee. This is "bootstrapping" in its plainest sense. The Magistrate could have as easily recommended that Mr. Berger receive a fee of \$34,000 for winning a fee of \$34,000 or, for that matter, that he receive a fee of half a million for winning a fee of half a million.

Plaintiff submits that the only "result" which can reasonably be viewed as one of the bases for determining the amount of an attorney fee award is the result apart from attorney fees and that saving one's client from less than \$1,000 damage liability can scarcely justify a fee of \$17,000. Note that Mr. Berger's client has never paid him more than \$1,000.

#### POINT II

From his Report and Recommendation (p. 4) -- "... it was tried with great skill by defense counsel" -- it would appear that the Magistrate also premised his appraisal of the level of Mr. Berger's skill and expertise, hence his economic worth as counsel, solely or primarily on the "result" -- an attorney fee award -- obtained in this case rather than upon his demonstrated level of litigation experience (which was practically nil). Plaintiff submits that the "result" in any case is the Court's responsibility and product and not counsel's. While the abilities of counsel may have some effect upon the



outcome of a case, certainly, it is the Court's responsibility to determine the facts from the evidence presented and to apply the law to those facts to reach a result. It is presumed that this Court earnestly tried to meet its aforementioned responsibility as it saw it in this case. Plaintiff would be shocked indeed if he believed for one instant that this Court's result in this case was founded upon a comparative evaluation of the abilities of counsel. Mr. Berger's worth in this case should be founded upon the rate he could unqualifiedly demand for his time at the time that he undertook this suit, and that rate is \$25 per hour, not \$40, \$50, \$65 or more.

Respectfully submitted,

*Harvey E. Bumgardner, Jr.*  
HARVEY E. BUMGARDNER, JR.  
Attorney For Plaintiff  
1230 Sixth Avenue  
New York, New York 10020

Of Counsel:  
BARBARA BUMGARDNER  
Arthur, Dry & Kalish



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

HYMAN KRAMER, d/b/a HY KRAMER  
ENTERPRISES,

Plaintiff,

- against -

DURALITE COMPANY, INC.,

Defendant.

67 Civ. 2079 and  
67 Civ. 2081 (KTD)

HYMAN KRAMER, d/b/a HY KRAMER  
ENTERPRISES,

Plaintiff,

- against -

G & A MACHINE WORKS, INC.,

Defendant.

AFFIDAVIT IN  
SUPPORT OF DEFENDANT'S  
MOTION TO AMEND THE  
HONORABLE MAGISTRATE  
GERARD L. GOETTEL'S  
REPORT AND RECOMMENDA-  
TION

Peter L. Berger, being duly sworn, deposes and says that:

1. I am an attorney and a member of the firm of Rubens and Berger, 370 Lexington Avenue, New York, N.Y., said firm being in existence since September 1971.

2. In the above-identified proceedings, this Court awarded Defendant's attorney fees to be paid by Plaintiff.

3. Pursuant thereto, an inquest was held by the Honorable Gerard L. Goettel, United States Magistrate to determine the amount of reasonable attorney fees to be paid by Plaintiff

4. Pursuant thereto, I supplied the Court, as well as the opposing counsel, with copies of bills submitted to Defendant. In the course of preparing such bills, the terms "review" and "reviewing" were used twenty-five times.

5. Plaintiff's counsel urged that such terms reflected the lack of the undersigned's experience and unnecessary and duplicative hours were spent by the undersigned in the preparation of his case.

6. The Report and Recommendation by the Honorable Gerard L. Goettel seems to accept this view where it states,

"In addition, the plaintiff argues that because of Mr. Berger's inexperience he spent considerably more time with the preparation of this case than necessary. Concededly, it appears that Mr. Berger expended a good deal of unnecessary and repetitive hours in the preparation of the case"

7. As a result of said Report and Recommendation, I reviewed said bills and determined that said terms were catchall terms that did not accurately reflect the actual work I performed, since such review does not accurately reveal the actual original research, reading and investigation I undertook in preparation of this case.

8. In the following paragraphs I have explained the actual work I performed, which work was erroneously misinterpreted by Plaintiff in construing the words "review" and "reviewing". This effort contributed to Magistrate Goettel's reducing

the allowed billable hours in half for the years 1970, 1971 and 1972.

9. June 1970 - "Reviewing" files and outlining case covers the initial reading, reflecting and consideration of the files received as submitted from prior counsel without original work being undertaken at that time, with the exception of outlining the case structure.

10. October 1970 - "Reviewing" documents - Relating to reading documents such as prior art patents, the patent application, sales records, prior correspondence in the aluminum furniture field, and other documents that generated issues and constituted original research work related to this case.

11. October 1970 - "Reviewing" file history - A file history is the entire record before the Patent Office constituting the original application as filed, amendments submitted in response to various Patent Examiners' opinions on the patentability of the invention, prior art patents and related patent applications. The term "reviewing" means reading, reflecting, and considering the importance and relevance of the contents of the documents being read.

12. January 1971 - "Reviewing" files - This covers a status update of the case which had been pending since 1967 and discussing the update with the client, including possible new leads regarding Kramer's conduct.



13. February 1971 - "Reviewing" files - Relates to the preparation of Defendant for depositions. Such a review is normally conducted to determine what information will be sought to be discovered during the deposition and also what information previously existed. This is not "review" but is preparation in light of existing data.

14. February 1971 - "Reviewing" prior depositions of Adler, relates to reading and considering the significance of the contents of the prior depositions of Adler.

15. March 1971 - "Review" of material for preparation of second deposition of H. Kramer - This relates to the work undertaken in preparation for said second deposition, that work normally being undertaken prior to conducting such deposition so as to be aware of exactly the most important and salient points contained in the prior documents and prior art pieces in my possession.

16. April 1971 - "Reviewing" deposition of H. Kramer - This relates to reading and considering the significance of the contents of said deposition.

17. June 1971 - "Review" of new sample pieces - This relates to investigating the size and shape of actual, physical pieces submitted by Adler, these pieces being related to the concepts involved in the issue of novelty, and also concepts involved related to the issue of lying and fraud on the part of Kramer.



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18. June 1971 - Finalize technical "review" - This relates to finalizing the consideration of the prior art pieces and patents discovered to that point and the term "review" is meant to cover the status of that situation at that time.

19. June 1971 - "Review" of pretrial memorandum covers reading and considering the contents of the same prepared by opposing counsel.

20. August 1971 - "Reviewing" with client as to possible witnesses relates to discussing the potential witnesses who could be brought forth to contradict the story presented by Kramer. There were at least 5 or 6 witnesses discussed, most of whom I contacted and conferred with in great detail.

21. August 1971 - "Review" status of litigation relates to an update to determine the present situation with regard to the litigation, since it was still pending for over four years.

22. May 1972 - "Review" of litigation with H.E. Rubens relates to conducting a series of discussions with my partner, Mr. Rubens, as to his view of the evidence discovered, further evidence to be obtained, and was not a rehashing of the undersigned's original work. It is noted that Plaintiff went to trial with two attorneys present at all times, and were Defendant better financed, two attorneys would also have been present for the entire of the proceedings, both before and during the trial period.

Exchanging views during preparation of a case for litigation and during litigation is often extremely valuable to the litigating attorney and is not duplicative.

23. November 1972 - "Reviewing" Plaintiff's proposed findings of fact relates to reading and considering the contents of the same.

24. The time spent by Harry Ernest Rubens was not duplicatory of my time, since his review and effort led to discovery of the issues related to improper and insufficient original disclosure for the angles set forth in the claims, it being remembered that actual measurement of the angles revealed them to have a value outside the range set forth in the claims. Additionally, Mr. Rubens' time was not duplicative of effort for the reasons set forth in paragraph 22 above.

  
PETER L. BERGER

Sworn to before me this

19th day of June 1974

  
Notary Public

MOLLIE HARTMAN  
NOTARY PUBLIC, State of New York  
No. 03-4520110  
Qualified in Bronx County  
Commission Expires March 30, 1978

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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HYMAN KRAMER, d/b/a HY KRAMER	:	
ENTERPRISES,	:	
	:	
Plaintiff,	:	
	:	
- against -	:	
	:	67 Civ. 2079 and
DURALITE COMPANY, INC.,	:	67 Civ. 2081 (KTD)
	:	
Defendant.	:	

-----X

HYMAN KRAMER, d/b/a HY KRAMER	:	MEMORANDUM IN
ENTERPRISES,	:	SUPPORT OF DEFENDANT'S
	:	MOTION TO AMEND THE
Plaintiff,	:	HONORABLE MAGISTRATE
	:	GERARD L. GOETTEL'S
- against -	:	REPORT AND RECOMMENDATION
	:	
G & A MACHINE WORKS, INC.,	:	
	:	
Defendant.	:	

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This Memorandum is submitted in support of Defendant's Motion to amend the Report and Recommendation submitted by the Honorable Magistrate Gerard L. Goettel with regard to the above-identified matter.

Attached hereto is an Affidavit by Defendant's attorney explaining the use of the term "review" and "reviewing" as contained in the bill submitted to Defendant with regard to this matter. The enclosed Affidavit makes it clear that these terms were catch-all and not succinctly descriptive of the actual work

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undertaken, the enclosed Affidavit detailing the actual work undertaken which indicates the amount of original thought, energies and creative work entailed in reading, reviewing and reflecting on the many documents, prior art pieces, possible witnesses to be called, depositions, pre-trial memoranda, and various other documents related to the prosecution of both the Application in suit and a related Patent Application. For instance, the bill does not reflect the detailed work undertaken discovering the error regarding the incorrect submission in the original Application of a figure having angles which were out of the range actually called for in the claims and suit. It is remembered that some trial time was devoted to this issue including meetings in chambers regarding requirements of sufficiency of disclosure. Thus, the terms "review" and "reviewing" were apparently purposely misinterpreted by Plaintiffs and possibly erroneously misinterpreted by the Honorable Magistrate Gerard L. Goettel. It is submitted that no unnecessary duplicative or wasteful hours were spent in preparing the Defendant's case both pre, during and post-trial. This case consumed some seven years on the trial calendar and was anything but a simple patent law suit. The many issues raised during the trial required the extensive time and effort called for and set forth in the bill submitted to the Defendant.



The Honorable Magistrate Gerard L. Goetzel disallowed hours billed by Mr. Rubens of the firm of Rubens & Berger. Mr. Rubens' efforts were of great value especially with regard to uncovering the insufficiency of disclosure with regard to the angles actually contained in the original drawings as submitted to the Patent Office. Additionally, Mr. Rubens independently reviewed with the Defendant the primary issues involved and exchanged ideas with Defendant's counsel how these ideas, thoughts and considerations contributing to the presentation of the defense in this matter. The time spent by Mr. Rubens was quite limited, in view of the Defendant's desires to limit expenses in this matter, and quite obviously, substantially, more time could have been profitably spent by Mr. Rubens. It is noted, in passing, that at all times during the trial and in all probability both before and after trial Plaintiff was represented by two attorneys and billed for both their times, it not being considered that either one was duplicative of another. Thus, the limited time spent by Mr. Rubens was hardly duplicatory of any effort of Mr. Berger's, and contributed to the defense presented in this matter.

From the above, it is requested that this Court amend the Report and Recommendation submitted by the Honorable Magistrate Gerard L. Goettel and allow full credit for all time spent by Mr. Berger and Mr. Rubens in this matter at an hourly rate which is reasonable. The Honorable Magistrate Gerard L. Goettel allowed that reasonable rate to be that normally charged by Mr. Berger and by the firm of Rubens & Berger, and therefore, an amount of attorneys' fees equal to \$23,741.60 is requested to be awarded by this Court.

Respectfully submitted,

RUBENS & BERGER

By 

370 Lexington Avenue  
New York, New York, 10017  
(212) 685-5766

(14)

Original

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----x  
:  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES, :

Plaintiff, :

-against- :

DURALITE COMPANY, INC., :

Defendant. :

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:  
HYMAN KRAMER, doing business as  
HY KRAMER ENTERPRISES, :

Plaintiff, :

-against- :

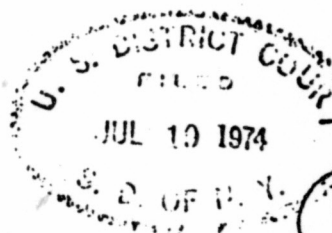
G & A MACHINE WORKS, INC., :

Defendant. :

-----x  
APPEARANCES:

ARTHUR DRY & KALISH, ESQS.  
Attorneys for Plaintiff  
By Harvey E. Bumgardner, Jr., Esq.  
Steven H. Bazerman, Esq.  
Of Counsel

RUBENS & BERGER, ESQS.  
Attorneys for Defendant  
G & A Machine Works, Inc.  
By Peter L. Berger, Esq.  
Of Counsel



67 Civ. 2079

MEMORANDUM

67 Civ. 2081

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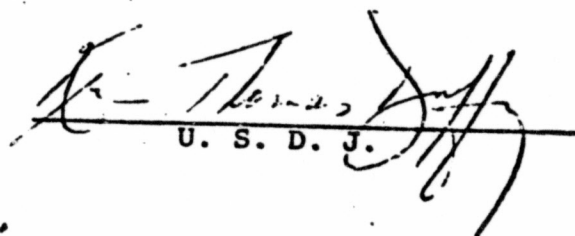
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2.

KEVIN THOMAS DUFFY, D.J.

Having reviewed the Report and Recommendation submitted by the Honorable Magistrate Gerard L. Goettel and having reviewed the objections and suggested modifications filed in response thereto by counsel, I hereby confirm the Honorable Magistrate's Report and Recommendations in all respects.

Settle judgment on notice.

  
U. S. D. J.

Dated: New York, New York

July 19, 1974.



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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-----X  
HYMAN KRAMER, d/b/a HY KRAMER  
ENTERPRISES,

Plaintiff,

-against-

DURALITE COMPANY, INC.,

Defendant.  
-----X

HYMAN KRAMER, d/b/a HY KRAMER  
ENTERPRISES,

Plaintiff,

-against-

G & A MACHINE WORKS, INC.,

Defendant.  
-----X



JUDGMENT

# 74,644  
74,644

This Action came on for trial on June 21, 1973 before the Court, Honorable Kevin T. Duffy, District Judge, presiding, and the issues having been duly tried and a Decision having been duly rendered on December 20, 1973 and a report of the Honorable Magistrate Gerard L. Goettel having been rendered on June 10, 1974,

It is ordered, adjudged and decreed that,

1. This Court has jurisdiction of the parties and the subject matter.

2. Patent No. 3,310,268 is invalid, void and unenforceable.

ONLY COPY AVAILABLE

3. This case is an exceptional case and falls within the meaning of 35 U.S.C. Sec. 285, and Defendant, G. & A. Machine Works, Inc. is awarded attorney's fees in the amount of \$16,970.00 together with its costs in this action.

*New York, N.Y.*

Dated:

*July 31, 1974*

*W. Thomas J. [Signature]*  
United States District Court Judge

*M.A.*

JUDGMENT ENTERED - 8/1/74

*Raymond F. Burghardt*  
CLERK

9/18/74. Bill of Costs as consented to in the sum of \$637.90, in favor of both defendants as against plaintiff and added to the judgment.

*Raymond F. Burghardt*  
CLERK

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

----- -x  
HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, : 67 Civ. 2079  
Plaintiff, :  
-v.- :  
DURALITE COMPANY, INC., :  
Defendant. :

----- -x  
HYMAN KRAMER, d/b/a HY :  
KRAMER ENTERPRISES, : 67 Civ. 2081  
Plaintiff, :  
-v.- :  
G & A MACHINE WORKS, INC., : JUDGE K. T. DUFFY  
Defendant. :

NOTICE OF APPEAL

PLEASE TAKE NOTICE that plaintiff hereby appeals to the United States Court of Appeals for the Second Circuit from so much of the judgment entered August 1, 1969, as:

1. holds this case to be an exceptional case falling within the meaning of 35 U.S.C. Sec. 285; and
2. awards to defendant, G & A Machine Works, Inc., attorney's fees in the amount of \$16,970 together with its costs in this action.

August 16, 1974

*Harvey E. Bumgardner, Jr.*  
HARVEY E. BUMGARDNER, JR.  
Attorney for Plaintiff  
1230 Avenue of the Americas  
New York, New York 10020  
Tel: (212) 489-4510

TO: Clerk, United States District Court

Rubens and Berger  
Attorneys for Defendants  
370 Lexington Avenue  
New York, New York 10017



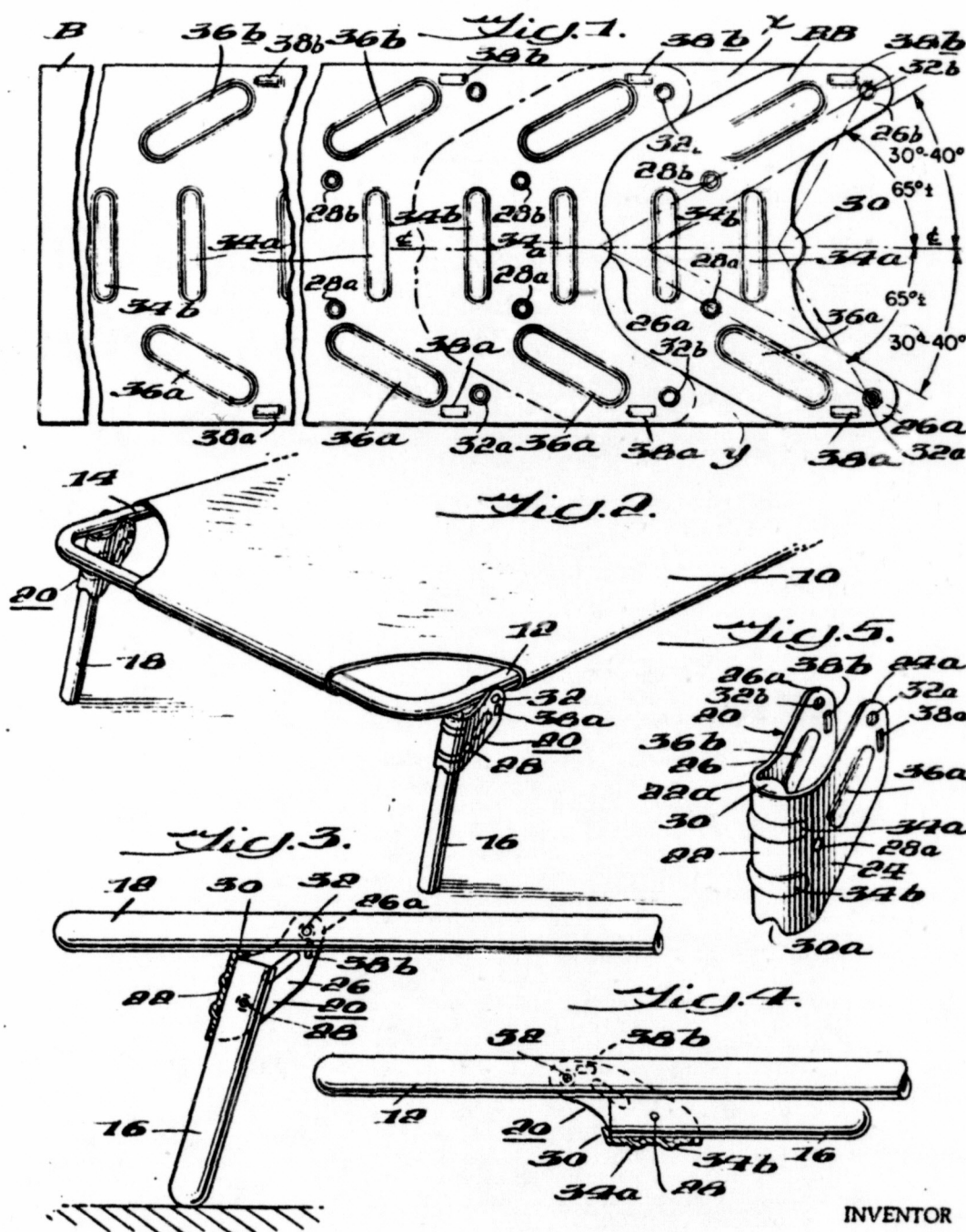
March 21, 1967

H. KRAMER

3,310,268

HINGE BRACKETS

Filed May 24, 1965



INVENTOR

HYMAN KRAMER,

BY

ATTORNEY

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3,310,268

## HINGE BRACKETS

Hyman Kramer, 2764 E. 16th St.,  
Brooklyn, N.Y. 11218

Filed May 24, 1965, Ser. No. 458,148  
5 Claims. (Cl. 248-188)

This invention relates to improvements in hinge brackets, and more particularly to an improved hinged bracket for hingedly connecting tube, rod and like members adapted to swing relatively to one another. As illustrative, the invention will be described as applied to folding cot structure, wherein improved hinge brackets as herein contemplated are employed as a means for hingedly connecting the legs to the cot frame, usually the side rails of said cot.

Stated broadly, a major object of the invention is the provision of an improved hinge bracket for hingedly connecting two members which are adapted to swing or fold with respect to one another, from or to a "set up" position to and from a folded or collapsed position, and which is so constructed and arranged that it also serves effectively to brace the one member which partakes of swinging motion with respect to the other when said members are in their "set up" position.

More particular objects of the invention are the provision of a hinge bracket especially designed and suited for use in folding cot construction, wherein the hinge bracket serves primarily to connect a folding leg to a cot-frame member, but whose construction is such that it also functions as an effective leg brace for the leg which it connects when said leg is extended to its in-use or set-up position; the provision of a hinge bracket as aforesaid which incorporates an integral part serving in the set-up position of the leg as an effective seat for the member to which it is hingedly connected; and the provision of a hinge bracket as aforesaid which further incorporates integral means which assist in maintaining said leg in its folded-up position with respect to the cot frame, upon said leg having been moved to that position.

Yet another object of the invention is the provision of a novel hinge-bracket blank configuration enabling the production of hinge brackets of the invention from flat strip stock with an absolute minimum of scrap.

The above and other objects and features of advantage of a hinge bracket and hinge-bracket blank configuration according to the present invention will become apparent from the following specification and accompanying drawings, wherein:

FIG. 1 is a broken-away plan view of a partially blank-out strip illustrative in part of the manner of fabricating hinge brackets of the invention from strip stock and further illustrating the configuration of an individual hinge-bracket blank as herein contemplated;

FIG. 2 is a broken-away perspective view of the end portion of a folding cot which illustrates a typical application of hinge brackets of the invention, i.e. in hingedly connecting the supporting legs to the side rails of the frame of a folding cot;

FIG. 3 is a vertical section taken through one of the hinge brackets shown in FIG. 2, which depicts its leg connecting and bracing functions;

FIG. 4 is a view corresponding to FIG. 3 but showing the leg folded against the cot side-rail; and

FIG. 5 is a perspective view of a hinge bracket of the invention disassociated from both cot side-rail and cot end-leg.

Referring to the drawings in detail, it will be understood that the partially shown folding cot 10 illustrated in FIG. 2 is exemplary only of various folding or collapsing-type constructions to which hinge brackets of the

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invention are suited. More particularly, such a typical construction comprises a body frame including two longitudinal side rails 12, 14 and legs 16, 18 acting in concert with other legs (not shown) normally to support said frame in its "in use" or set-up position. As is generally true for all types of folding cots, said legs are pivotally connected to said side rails for swinging movement to and from a set-up position (FIGS. 2 and 3) from and to a folded or collapsed position as in FIG. 4.

According to the invention, each said leg-to-side rail connection is provided by a hinge bracket generally designated 20 and which basically comprises an elongated body portion 22 of U-section corresponding to that of the leg or other part which it is to receive, and parallelly disposed, planar side wings 24, 26 extending forwardly-upwardly from the opposite sides or arms of said body portion. As shown, said body portion is semi-cylindrical because the leg 16 or 18 which it is adapted to receive has circular section, and it has radius slightly in excess of that of said leg 16 or 18, so that the latter is readily receivable therein. The axial length of said body portion is appreciable so that when the bracket is fitted to the upper end portion of a leg, it will enclose a substantial length portion thereof.

The bracket side wings 24, 26 are spaced apart a distance slightly greater than the external diameter (or other width dimension if non-circular) of a side rail 12, 14 (which diameter or dimension will ordinarily be that of the legs 16, 18), and thus a side rail will be freely receivable between said wings. The extent of forward-upward extension of the side wings 24, 26 from the top edge of the body portion of the bracket is somewhat greater than the diameter (or width dimension) of a side rail, being determined by the angle of inclination that a leg when extended is to bear to a side rail and by the uppermost ends of said side wings being capable of forming mounting ears for the rivet which is to pivotally connect the bracket to said side rail. Stated otherwise, said side wings extend forwardly-upwardly beyond the top edge 22a of said bracket body portion 22 a distance such as will establish a predetermined angular relation (approximately 120° in the typical construction shown) between the axis of the side rail received between the upper end portions of said side wings and the longitudinal axis of said body portion and the leg associated therewith, when said leg is swung away from the rail to a position such that said rail bears on the top edge of the bracket body portion, and the extension of said wings will also be such as to provide enough area to the respective upper-end portions thereof that said portions can serve as mounting ears (designated 24a, 26a) for the cross pin or rivet which is to pivotally connect said bracket to a side rail and which desirably is to pass through the side rail on a horizontal diameter thereof.

As best seen in FIGS. 3 and 4, each said bracket 20 is affixed to the upper end portion of the leg which it serves by one or more rivets (one rivet 28 being shown). Illustratively, said rivet 28 passes through the bracket body portion and leg on a diameter located approximately midway of the axial length of said body portion, but this rivet positioning may be varied. By reference to FIG. 3 in particular, it will be seen that said bracket body portion in its top edge is provided with an integral, inwardly extending tab 30 which extends over the top edge of said leg and thus acts in concert with said rivet 28 in establishing and maintaining the proper vertical position of the bracket with respect to the leg to which it is connected. A cross pin or rivet 32 extending through holes in the aforesaid rail-receiving or mounting ears 24a, 26a (in which the upper portion of said side wings 24, 26 ter-



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minate) serves as a pivot about which the assembled leg and bracket may swing to and from the respective leg positions shown in FIGS. 3 and 4.

FIG. 5 in particular illustrates a further advantageous feature of the invention, namely, that of the outwardly projecting, crosswise extending strengthening ribs 34a, 34b and the similarly outwardly projecting upwardly-forwardly inclined strengthening ribs 36a, 36b provided in the body portion 22 and side wing portions 24, 26, respectively, of the bracket. Said ribs and their illustrated disposition are such that they effect substantial strengthening of the bracket as compared to one devoid of such ribs, and accordingly a bracket having such strengthening ribs may be made of lighter gage stock than hitherto considered possible.

Another feature of advantage of the hinge bracket of the invention is that provided by the depressions 38a, 38b sunk into the side wing portions 24a, 24b at locations thereof such that when a leg and its attaching bracket are swung to their folded up or collapsed position against a frame side-rail as in FIG. 4, said depressions "move over center" with respect to said side rail and thereupon serve to frictionally hold said leg and bracket in that position. Such assumes, which is as intended here, that the inner surfaces of said depressions 38a, 38b are spaced apart a distance slightly less than the external diameter of the side rail.

Reverting to the aforementioned tab 30 formed on the upper-end edge of the semi-cylindrical body portion 22 of the hinge brackets, such by reference to FIG. 5 preferably has an upwardly concave surface shaped complementally to the under periphery or side of the side rails 12, 14. Thus, rather than seating against a non-conforming and sharp top edge of a leg, each side rail seats against an inbent tab surface that not only has substantial area as compared to said top edge proper but also a surface which conforms to that of the periphery or underside of said rail. FIG. 5 also shows a recess designated 30a in the bottom edge of the body portion 20 of the bracket, as results from the brackets of the invention being blanked out from immediately contiguous areas of continuous strip stock, as will now be briefly described.

Referring to FIG. 1, such illustrate a strip-form starting blank B in the process of being moved through a progressive die (not shown) but this view may also be taken as illustrating a fixed strip or blank being acted upon progressively by a movable die which moves along said strip. In a first stage, the aforesaid strengthening ribs 34a, 34b, 36a, 36b and the depressions 38a, 38b are formed in the blank. In the next stage, the rivet holes 28a, 28b and 32a, 32b for the aforesaid rivets 28 and 32, respectively, are punched in the blank. In a final stage, an individual bracket blank designated BB is struck off from the strip B, and in the same operation the aforesaid tab 30 may be formed in embryo by striking same out from the material ultimately to form the lower-end edge of the semi-cylindrical body portion 22 of each next preceding bracket blank. Thus, each bracket blank as it is formed has a tab projecting from one edge, ultimately to be the top edge of the elongated body portion of the finally shaped bracket, and a recess 30a in the opposite edge destined to form the bottom end edge of said body portion. Alternatively, the individual bracket blanks BB may be blanked out except for the tabs 30 in a next-to-final stage and said tabs formed only when the so-formed blanks are finally severed one from the other. According to such procedure, the tabs in embryo provide connecting webs between the blanks BB up to the time of actual tab severance.

The individual blanks BB leaving the die may be stored or they may be immediately delivered to bending apparatus which bends them about their longitudinal center lines to their final curvature and shape. This bending operation may also impart the upwardly concave shaping to the tabs 30, or such may be imparted in a separate

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operation as desired. Alternatively, bending of the blanks as aforesaid may be effected in the same or approximately the same operation as that effecting severance of the blanks from the strip and/or forming of the tabs 30.

It is a particularly noteworthy feature of the present invention that the bracket blanks BB coming from the die are so configured that scrap is minimal. That is to say, the bracket blank areas extend entirely across the starting blank B and they nest with one another. Accordingly, the rear lines of each preceding bracket blank area coincide with the front lines of each next following bracket blank area, except for the small areas designated x and y (FIG. 1) which are negligible, with the result that the bracket blanks may be formed substantially without scrap loss. Moreover, each blank BB as finally formed is roughly V-shaped, being comprised by an apical portion and divergent leg portions. However, rather than coming to a point as with truly V-shaped parts, said apical portion is blunted, being defined by inner (crotch) and outer edge lines which are generally rounded and into which merge the inner and outer side-edge lines of said leg portions, which latter are disposed substantially parallel to one another. To provide the body portion 20 of the final leg bracket with requisite axial dimension, the apical portion of each said blank which ultimately provides said body portion has substantially greater dimension in the direction of its longitudinal center line, i.e. the line extending medially through said apical portion from outer to inner edges thereof, than the thickness of the aforesaid divergent leg portions of the blank.

Furthermore, since the blanks are intended to form hinge brackets which establish an angle of approximately 120° between a side rail or equivalent structural member and a supporting leg or like member, the aforesaid leg portions of the bracket blanks BB as formed diverge from one another at an angle of 30°-40° from said longitudinal center line. Finally, the said leg portions are sufficiently long as to provide for the location of the rivet holes 32 in their free end portions at points of intersection of divergent straight lines which extend substantially medially through the leg portions at approximately the same angle to said longitudinal center line that said leg portions bear to said center line, with straight lines which diverge from the mid point of the inner edge of the apical portion of the blank at an angle of approximately 60° to said center line.

From the above, it will be appreciated that sheet metal hinge-bracket blanks having the special configuration and related features according to the foregoing description may be produced in quantity and thereafter formed to their final bracket shape very speedily and economically, as compared to the operations required to produce the final brackets made therefrom which serve similar function.

Analysis of FIGS. 2 and 3 will further show that a hinge-bracket according to the invention serves as a leg brace as well as a leg hinge and thus makes the provision of separate leg-bracing means employed in folding leg constructions wholly unnecessary. Also to be observed is that a hinge bracket of the invention incorporates within its own structure effective friction means, i.e. the inward depressions 38a, 38b, capable of securing the leg which it connects in its folded-up position with respect to an associated frame side rail, and thus it constitutes a self-contained structure performing the manifold functions which the ideal hinge bracket could be expected to perform.

As many changes could be made in carrying out the above constructions without departing from the scope of the invention, it is intended that all matter contained in the above description or shown in the accompanying drawing shall be interpreted as illustrative and not in a limiting sense.

I claim:

1. A hinge bracket for pivotally connecting tube, rod and like members for relative swinging movement with

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respect to one another comprising: an elongated body portion having generally U-section and adapted to receive and partially enclose the upper end portion of one said member and side wings extending forwardly-upwardly from said body portion and terminating at their upper ends in ear formations which are spaced apart an amount enabling the reception of the other of said members therebetween; means for fixedly securing said body portion to the upper end portion of said one member and in position such that the relatively top edge portions of each are substantially at the same level; said ear formations having aligned holes for the reception of a pivot pin which is adapted to be passed cross-wise through same and through said other member received therebetween; and said top edge of the body portion of the bracket having an integral, inwardly projecting tab which is adapted to extend over the top edge of said one member to limit vertical extension of said one member when received in the bracket and whose relatively upper surface is shaped to conform to the relatively under surface of said other member received between said ear formations, said ear formations being provided with inward depressions so located along corresponding edges thereof that they move over-center of the aligned holes provided in said formations when said bracket is swung with said one member to a position in which said one and other members are substantially parallel.

2. A hinge bracket blank comprising a flat piece of sheet metal having general V configuration thereby to provide an apical portion and divergent leg portions, said apical portion defined by inner and outer rounded edge lines and having substantially greater dimension in the direction of the longitudinal center line of the blank than the thickness of the leg portions, said leg portions having parallel side edges and diverging from one another at an angle of 30-40° to said longitudinal center line and being each provided in its free end portion with a hole for a bracket-attaching pin and the like, the location of the holes in said leg portions and thereby the length of said leg portions being established by the points of intersection of divergent lines extending substantially medially through the leg portions at approximately the same angle to said center line that said leg portions bear to said center line with lines extending in opposite directions outwardly from the midpoint of the inner edge of the blank and which are disposed at an angle of approximately 65° to said center line.

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3. A hinge bracket blank according to claim 2, which further includes a small-width, convexly shaped tab integral with the blank and which projects from the inner edge of the apical portion into the space between the leg portions of the blank.

4. In combination, a side rail, a supporting leg, and a hinge bracket for connecting said leg to the side rail and permitting swiveling movement of the leg between a supporting position in which it extends at an angle of approximately 120° to said side rail and a collapsed position in which it is disposed parallel and closely adjacent to said side rail, said hinge bracket including an elongated body portion having generally U-section which is closely fitted to the upper end portion of said supporting leg and in which said leg portion is received, rivet means securing the so-received leg portion to said body portion in position such that the top edges of said portions are at substantially the same level, said bracket further including side wings extending forwardly-upwardly from said body portion and terminating at their upper ends in ear formations between which said side rail is received, a pivot pin extending between said ear formations and through said side rail, the top edge of the bracket body portion having an integral, inwardly projecting tab which extends over the top edge of the leg portion, said tab being upwardly concave and thereby providing a concave seat for said side rail when the supporting leg is swung to its rail-supporting position, and said hinge bracket further incorporating means for frictionally securing the supporting leg in said collapsed position when actuated thereto.

5. The combination according to claim 4, wherein said frictional securing means comprises inward depressions in said ear formations which define inwardly directed lugs which are so located along corresponding edges of said ear formations that they move over-center of the pivot pin and frictionally engage opposite sides of the rail when said supporting leg is swung to its collapsed position.

#### References Cited by the Examiner

#### UNITED STATES PATENTS

2,133,047	10/1938	Sheldon	297-55
2,255,870	9/1941	Adler	297-58
2,834,566	5/1958	Bower	248-103

CHANCELLOR E. HARRIS, *Primary Examiner*.

JOHN PETO, *Examiner*.



File 4635

APPLICATION FOR UNITED STATES PATENT

## EXHIBIT I

SOLE

## Oath, Power of Attorney, and Petition

Being duly sworn, I, HYMAN KRAMER,  
 depose and say that I am a citizen of the United States, residing at  
Brooklyn, New York; that I have  
 read the foregoing specification and claims and I verily believe I am the original, first, and sole  
 inventor of the invention or discovery in \_\_\_\_\_

HINGE BRACKETS,

described and claimed therein; that I do not know and do not believe that this invention was ever  
 known or used before my invention or discovery thereof, or patented or described in any printed  
 publication in any country before my invention or discovery thereof, or more than one year prior  
 to this application, or in public use or on sale in the United States for more than one year prior to  
 this application; that this invention or discovery has not been patented in any country foreign to  
 the United States on an application filed by me or my legal representatives or assigns more than  
 twelve months before this application; and that no application for patent on this invention or dis-  
 covery has been filed by me or my representatives or assigns in any country foreign to the United  
 States, except as follows:

And I hereby appoint J. HAROLD KILCOYNE  
961 NATIONAL PRESS BUILDING - WASHINGTON 4, D. C.

Registration No. 12049, my attorney or agent with full power of substitution and revocation,  
 to prosecute this application and to transact all business in the Patent Office connected therewith.

Wherefore I pray that Letters Patent be granted to me for the invention or discovery described  
 and claimed in the foregoing specification and claims, and I hereby subscribe my name to the fore-  
 going specifications and claims, oath, power of attorney, and this petition, this

11 day of MARCH, 19 65.

Inventor

Hyman

First name

Middle initial

Kramer

Last name

Post Office Address

2764 East 16th StreetBrooklyn, New York

State of New York }  
County of Kings } SS

Before me personally appeared HYMAN KRAMER  
to me known to be the person described in the above application for patent, who signed the fore-  
going instrument in my presence, and made oath before me to the allegations set forth therein  
being under oath, on the day and year aforesaid.

[SEAL]

*March 11/65*

*J. Martin*

Notary Public

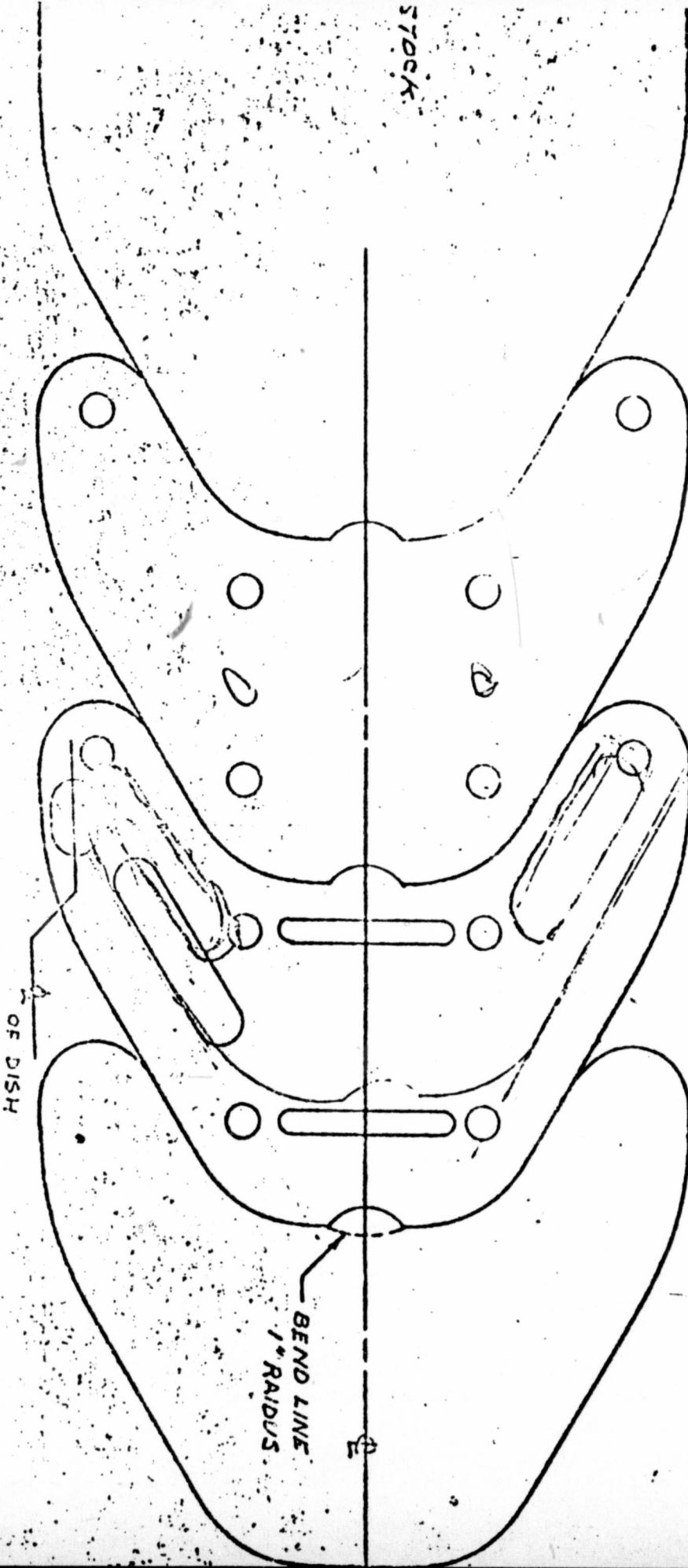
This form may be executed only when attached to a complete application as the last page of same.

DEFINITION  
G7 2079  
J.E. Dist. Co.  
A.T. of N.Y.

K' ID

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STOCK



July 9, 1973

Mr. Mickey Adler  
165 Falmouth Road  
Yonkers, New York

Re: Hy Kramer Enterprises v. G & A Machine Works, Inc. - Accounting  
67 Civ. 2079, 67 Civ. 2081

<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
1970		
May	Conferences with B. Lilling of Lilling & Siegel re taking over above law suit; conferences with M. Adler re same; reviewing files of B. Lilling; obtaining stipulation extending time for filing Pretrial Order; and miscellaneous correspondence	10.00
June	Conferring with client; Abe Zwickel, Gilbert, G. Gonsalves, reviewing files and outlining case	7.00
July	Preparation of 9(1) application; preparation of papers reopening discovery; appearance in Court; substitution of Counsel and preparation of all papers re above and obtaining reopening of discovery proceedings	15.00
September	Preliminary work re preparation of amended Answer and Counterclaim; conferences with client re above; reviewing file history of Patent-in-Suit	15.00
October	Preparation for deposition of Kramer to be taken on October 30th; reviewing documents; meeting with client; preparation of questions; reviewing prior art; reviewing file history and conducting deposition	24.00

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-2-

<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
November- December	Conferences with client; correspondence with client; correspondence with S. Stoll; filing amended Answer and Counterclaim and reporting same to client	8.00
Total hours for 1970		79.00
Total Services		\$5,925.00
Disbursements - United Reporting Service		148.50
Search in Washington, D.C.		17.75
Total for 1970		\$6,091.25
1971		
January	Reviewing files; miscellaneous correspondence and communication with client	2.75
February	Conferences with M. Posnack; preparation for deposition of M. Adler at offices of S. Stoll on February 4th; reviewing files and preparation of M. Adler for said deposition; miscellaneous telephone conferences with client, S. Stoll, reviewing prior depositions of Adler for preparation of corrections to same; conferences with M. Adler re above:	12.00
March	Meeting in Court re status of case; further conferences with M. Adler re changes in deposition and corrections to be made; conferences with client; review of material for preparation of second deposition of H. Kramer of March 16th	15.00
April	Court appearance as to status of litigation; reviewing deposition of H. Kramer, conducting research of same and correspondence; study deposition; telephone calls to Erle Packaging, Gilbert; preparation of Pretrial Memo	26.50

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<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
May	Conducting further technical research in technical library for prior art publications.	7.50
June	Continuing search for prior art; conducting review of prior art and review of new sample pieces submitted by client; discussions with client as to status of prior art; finalize technical review; review of Pre-trial Memorandum; and miscellaneous correspondence	18.75
July	Commencing research re inventorship issues in litigation; conferences with client as to above; finalize inventorship legal research and discuss with client	16.50
August	Conferences with client re sales records; reviewing with client as to possible witnesses in deposition exhibit; further conferences with Zwickel, etc.; stipulation in re postponement of deposition and preparation for Adler deposition in office with records; review status of litigation	16.50
September-November	Correspondence with client and other miscellaneous correspondence	.50
Total hours for 1971		116.00
Total Services		\$8,700.00
Disbursements - Copies		9.95
Search re prior Kramer		
Patent and copies of same		58.40
Adler reporting service		119.90
Total for 1971		\$8,888.25

<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
1972		
February	Preparation for meeting with Adler re clips and other Kramer products as to inventorship issue and false inventorship; conferences with S. Stoll	4.75
May	Review of litigation with H. E. Rubens	HER 5.50 PLB 5.50 11.00
October	Conference in Court re status of litigation; conference with client	4.75
November	Telephone conference re exhibits with S. Stoll; reviewing Plaintiff's proposed finding of facts	4.75
December	Preliminary work for Defendant's finding of facts; legal research and ongoing work as to Defendant's proposed finding of facts; information re new assignment as to Judge Duffy and correspondence re same	9.25
Total hours for 1972		34.50
Total Services		\$2,587.50
Total for 1972		\$2,587.50
1973		
January	Miscellaneous correspondence	.25
February	Conference with O'Rourke and Adler re litigation	.75
May	Search Patent Office records as to additional prior patents as relevant to novelty	4.00
June	Telephone conferences with S. Stoll; O'Rourke; Adler preparation for trial, including review of all documents, legal research; review of entire file; preparation of M. Adler; review of same with H. E. Rubens; developing issues; preparation of questions and exhibits for trial	79.00

<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
June	Conducting of trial; Courtroom appearances	31.50
		<hr/>
	Total hours to June 1973	115.50
	Total Services	\$9,450.00
	Disbursements - Certified copies of Kramer patents and copies for trial including preparation of exhibit copies	143.00
		<hr/>
	Total to June 1973	\$9,593.00



Exps P.F. 4 2

4/29/74 SLL

279a

December 10, 1973

Mr. Mickey Adler  
165 Falmouth Road  
Yonkers, New York

Re: Hy Kramer Enterprises v. G & A. Machine Works, Inc. - Accounting  
67 Civ. 2079, 67 Civ. 2081

<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
1973		
July	Review of trial with H. E. Rubens; discussion with client; conferences with Bumgar lner re change of at- torney as well as changing Defendant's attorney on record	3.00
September	Conferences and correspondence re transcript	.75
October	Reviewing transcript of trial	2.25
November	Completion of reviewing transcript and preparation of Post-trial Brief for sub- mission to Court	35.25
December	Reviewing Plaintiff's Brief and prepara- tion of reply submitted to Court	5.00
Total hours July to December 1973		46.25
Total Services		\$3,468.75
Disbursements - Cost of transcript		518.00
Total July to December 1973		\$3,986.75

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*W. J. F. 4. 3*

*4/29/74 JFE*

280a

April 2, 1974

Mr. Mickey Adler  
229 S. W. 30th Street  
Ft. Lauderdale, Florida

Re: Hy Kramer Enterprises v. G & A Machine Works, Inc. - Accounting  
67 Civ. 2079, 67 Civ. 2031

<u>Month</u>	<u>Remarks</u>	<u>Hours</u>
1974		
February	Review of Court Decision; correspondence with client re same; review of trial exhibits, Briefs, memorandum as to same; telephone communication to opposing Counsel and miscellaneous correspondence	13.00
March	Conferences with H. Bumgardner re obtaining extensions stipulating time; review of time records and preliminary preparation of submission to Magistrate; correspondence with Magistrate and telephone conferences with Office of same; preliminary review of Plaintiff's Rule 52B formal papers; preliminary research re inventorship and other issues as to same; preparation of outline for Reply Brief	12.00
April 1st and 2nd	Legal research re inventorship and fraud; preliminary preparation of memorandum in response to Plaintiff's memorandum re Rule 52B Motion; communication with S. Bazerman re Judge Duffy's Decision re Motion	7.50
Total hours to April 2, 1974		32.50
Total services		\$2,437.50

TOTAL ATTORNEY SERVICES AND COSTS

RE: KRAMER v. DURALITE, et al  
67 Civ. 2079 and 67 Civ. 2081

<u>Services</u>	<u>Costs</u>	
\$ 550.00	\$ 40.00	
5,925.00	148.50	
17.75	119.90	
8,700.00	518.00	
9.95		
58.40	\$826.40	Total Costs
2,587.50		
9,450.00		
3,468.75		
143.00		
2,437.50		
\$33,347.85		Total Services

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Received  
2 copies of  
written part  
Appendix

Let's say to Ruben  
Self

11/8/74

for